FBIS DAILY REPORT

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DISAGREEMENT OVER NUCLEAR ISSUES WITH U.S. CITED

PY142151 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 9 Sep 81 p 6

[Text] Foreign Minister Saraiva Guerreiro admitted yesterday in Sao Paulo that disagreement still exists between the United States and Brazil in the nuclear field and this disagreement is responsible for the U.S. threat not to supply more enriched uranium for the Angra 1 nuclear powerplant. He said that Brazil is prepared to respect the terms of the trilateral accord signed by the IAEA [International Atomic Energy Agency] and the U.S. and Brazilian Governments and to comply with the contracts which Furnas Powerplants has signed with the Americans.

The minister explained that "however, by asking Brazil to fulfill the IAEA safeguard requirements (INFCIRC/66/REV/11) regarding all national nuclear installations, what the U.S. Government is doing is forcing Brazil to accept, "in a roundabout way, the conditions of the Nuclear Nonproliferation Treaty."

Guerreiro emphasized that "the nations accept safeguards on all their activities which may be relevant or not, but they are free to accept or reject the Nonproliferation Treaty." He added that "Brazil's position is sufficiently clear-cut: We accept everything that the international accords provide for (including the very strict safeguards of the IAEA), but only those which have been agreed upon. We have not changed our position that we will not necessarily accept all the safeguards or the Nonproliferation Treaty."

Asked whether the basic disagreement between Brazil and the United States is prompted by the U.S. demand that safeguards be applied to the so-called "national nuclear units," the minister answered: "I will not make any statements. It is useless and improper of you to ask. I have said everything that must be said. Everything is public knowledge."

U.S. Accord To Be Enforced

PY141911 Rio de Janeiro JORNAL DO BRASIL in Portuguese 10 Sep 81 p 13

[Excerpts] Brasilia--A Mines and Energy Ministry source has stated that Brazil does not depend on U.S. uranium to operate the Angra 1 nuclear powerplant. However, the source indicated that since Brazil has an agreement with the United States, according to which the latter has to supply Brazil with enriched uranium for the duration of the plant's useful life, Brazil will continue applying pressure to enforce the accord.

The recent release of 5.3 kg of 20-percent enriched uranium for the Nuclear and Energy Research Institute in Sao Paulo, agreed to by the U.S. NRC (Nuclear Regulatory Commission), showed that the position of the U.S. Government has changed on this issue. Officials of the Mines and Energy Ministry involved in this matter believe that the shipments of enriched uranium for the Angra 1 nuclear powerplant will finally be released, especially because of the nuclear relaxation which is taking place between Brazil and Argentina, thus assuaging a long-standing U.S. concern that the two countries may be interested in producing atomic bombs to secure political balance on the continent.

ITAMARATY COMMENTS ON VICE PRESIDENT BUSH'S VISIT

PY141937 Sao Paulo FOLHA DE SAO PAULO in Portuguese 9 Sep 81 p 8

[Text] Brasilia--Itamaraty spokesman Bernardo Pericas yesterday reported that the idea of inviting U.S. Vice President George Bush to visit Brazil in October came from the Brazilian Government and added that Bush will take advantage of the visit he will pay to Colombia and the Dominican Republic to come to Brazil.

According to Pericas, there is no special reason for the invitation extended to Bush.

"Official visits take place for the benefit of good relations between the two countries and official invitations to pay visits should not be mistaken for personal invitations to dinner," Pericas said.

The U.S. vice president will visit Brasilia from 14 to 16 October.

PRESIDENT REAFFIRMS 1982 ELECTIONS AT GATHERING

PY141604 Sao Paulo FOLHA DE SAO PAULO in Portuguese 11 Sep 81 p 1

[Text] President Figueiredo yesterday said that "whatever may come, whatever the difficulties we may encounter, the people will be able to speak freely in 1982. And in doing so, the people will choose those who, from their position in Congress or as state governors, will help me to hasten the arrival of better days."

President Figueiredo made his impromptu speech before approximately 3,000 persons, most of them farmers, in Bom Jesus da Lapa, Bahia State.

Figueiredo asked the people to "understand the mistakes I have made, but do not condemn me unfairly for those I have not made, by means of your vote."

Farmer Pedro dos Santos Reis, union leader of the fourth agricultural colony, delivered a report to the president on the problems the farmers of the 16 local agricultural colonies are encountering.

SIGNIFICANT REDUCTION OF TRADE DEFICIT ANNOUNCED

PY141746 Buenos Aires LATIN in Spanish 1719 GMT 10 Sep 81

[Excerpt] Brasilia, 10 Sep (LATIN-REUTER)--Brazil has made a significant step forward toward attaining one of the main objectives of its economic policy by having a trade deficit of only $36 million for the first 8 months of the year. This figure is 98.5 percent below the $2,476 million deficit which Brazil accumulated during the same period last year, which means that the country is about to level-off its trade balance.

The official figures, released last night by the Finance Ministry, prompted government officials to forecast a trade surplus of up to $1 billion for 1981.

COMPANY SENDS 1ST SHIPMENT OF POLYPROPYLENE TO PRC

PY141942 Buenos Aires TELAM in Spanish 1347 GMT 14 Sep 81

[Excerpt] Salvador, 14 Sep (TELAM)--The first shipment of 7,000 tons of polypropylene (a basic petrochemical product) left this northern Brazilian port for the PRC today.

This is the first of the shipments in a deal which will bring in $4 million by the end of the year and which has opened the possibility of gaining access to China, which has 1 billion inhabitants, making it the largest consumer market in the world.

The deal was arranged between the PRC Government and the Petroquimica Polipropileno S.A., a Brazilian-Japanese firm which has been operating in Brazil for 3 years.

PRESIDENT PINOCHET'S STATE OF THE NATION ADDRESS

PY111927 Santiago Chile Domestic Service in Spanish 1512 GMT 11 Sep 81

[State of the nation speech by Chilean President Augusto Pinochet Ugarte on the occasion of the 8th anniversary of his advent to power, from Diego Portales' main hall--live]

[Excerpts] Mrs President of the Women's Association; Messrs Members of the Government Junta; Adm Jose Toribio Merino Castro, commander in chief of the navy and its representative in the government, and his distinguished wife; Gen Fernando Mattei, commander in chief of the air force and its representative in the government junta, and his distinguished wife; Gen Director Cesar Mendoza Duran, director general of carabineros and representative of this body in the honorable government junta; Gen Cesar Raul Benavides Castro, army representative in the government junta and his distinguished wife; Mr Chairman of the Supreme Court of Justice and his distinguished wife; Mr Cardinal, archbishop of Santiago; Mr Dean of the diplomatic corps; Messrs Ambassadors; Messrs Ministers of State; Mr Comptroller General of the Nation; Messrs Members of the Council of State and of the Constitutional Court; Messrs Members of the Supreme Court of Justice; Messrs Generals and Admirals; Mr Director General of the Investigations Department; Messrs Under Secretaries, Messrs Charges d'Affaires; Messrs Rectors of Universities; Messrs Bishops and High-Ranking Officials of the Church; Messrs Representatives of International Organizations; Messrs Military and Civilian Officials; ladies and gentlemen:

On this new anniversary of the national liberation which takes place today 11 September 1981, I will now address the nation to report on the annual performance of my government.

This date is one which gives double satisfaction to all Chileans because, first of all, it is an anniversary of the liberating struggle of 11 September 1973 and it is also the first anniversary of the plebiscite by which the majority of the Chileans approved the new constitution of the state.

Our country is now moving along the course which the Chilean people have set for it, after having overcome, once and for all, the worst crisis of our history--a crisis during which demagoguery, anarchy and license prevailed.

We are now heading toward different horizons through a refurbished system for the participation of the citizenry, free from those bad political habits which we had made a part of our civic life--almost without realizing it--and which did not reflect the desires of the great majority of Chileans.

A Marxist-Leninist administration took over power and stimulated class struggle and the destruction of national institutions in order to turn us into a satellite of the Soviet Union.

However, this threat awakened the national spirit which draws its strength from adverse geopolitical factors--such as the nature of our terrain, which has forced us to lead an austere and hard life; the fact that the country is at the southernmost end of the world; and because of our geographic location vis-a-vis the rest of the continent and the main centers of power.

On 11 September 1973 this spirit found its most enlightened expression, an immortal achievement which gains in stature as time goes by. It was the epic struggle of the people who, together with their armed forces, carried out their most patriotic and generous action of defending their soil and their fatherland.

Many have fallen defending our freedom, and on this occasion I would like to pay a heart-felt homage to all of them. We shall never betray the blood shed by those Chileans who rose to defend their fatherland at the expense of their own lives. [applause]

However, those very same people who did not hestitate to shed the blood of the sons of Chile, now try to make a comeback resorting to crooked trickery and even lies and slander. Should we allow the return of these communist agents we would be betraying the ideals of our soldiers who died in action. Thus, I would like to reaffirm once again that we will not foresake our unwavering decision to defend the security of all Chileans. [applause]

On 11 September 1980, after the new constitution was approved, I called upon all Chileans to foresake personal and factional banners and to unite and build Chile together. Unfortunately, there are still some who refuse to join this noble task. Despite this attitude of theirs, I wish to make this call once again now.

Along the lines of what I have just said, and paying heed to the hard lesson which has been taught to us by experience, I want to reaffirm today, before the entire citizenry, that we totally oppose Marxism-Leninism and that we are fully committed not to allow this doctrine in any of its shapes anywhere in our way of life. We do not want Chile to become once more the place where the democratic system is corrupted by totalitarianism. [applause]

We are prepared even less to allow the totalitarian threat to undermine the very foundation of our national way of life. By promoting a gradual development of our country toward the strengthening of a new institutional framework, we do so taking into account that the worst threat to human rights stems from totalitarian tyranny and terrorist violence. This idea is upheld by our constitution which categorically excludes from civil activities any doctrine capable of jeopardizing our freedom.

Furthermore, the constitution clearly defines terrorism, which is basically viewed as dangerous for human rights and the epitome of cowardice and cruelty.

In view of the permanent threat of terrorism, I want to reiterate that I shall resort to every constitutional and legal means capable of eradicating this evil which jeopardizes the security of the Chilean people. [applause]

Ladies and gentlemen, on 11 March this year Chile entered a historical period marked by the new 1980 constitution. The leadership during this period has been entrusted to this president.

No truly objective Chilean could ignore that the country is undergoing a political and legal stage whose fate has been clearly established in the constitution. To stray away from the course set is tantamount to going against the sovereign will of the nation.

Within this framework I have to say once more that the political recess is necessary and must be maintained. By doing so we are merely complying with the wishes of the majority of the Chilean people who do not want the bitter past to return. [applause]

The politicization of our life has been one of the factors which most endangered our coexistence. The monopoly which they enjoyed by the existing parties curtained other ways in which the citizenry could participate--thus progressively restricting our development.

Therefore, before thinking about reestablishing political parties we must strengthen the development and autonomy of the unions, professional associations and neighborhood committees; as well as other ways of participation which our constitution provides for our citizens.

At the same time, I would like to make it very clear that the political ban applies to all sectors whether they support this government or oppose it. I reiterate for the benefit of those interested in returning to the past, that protests will be useless. [applause]

Fellow Chileans: In the past few months we have witnessed how agents of Soviet communism have tried to undermine the institutional path all Chileans have undertaken. To achieve its objective--destabilizing the government--communism has resorted to the establishment of organizations financed by the Communist Party and creating social disorder.

In addition to the hatred and blind fanaticism of these representatives of chaos and oppression, there are others who, because of either naivete, ambition or mere ill-will, are accomplices to these treacherous activities. It is well-known that all of them strive to create social disorders to undermine the political process thus challenging the national government.

In view of these incidents, I categorically reassert that we will fulfill the commitment we made to the Chilean people and that we will not deviate from the path we have chosen. [applause] Those who dare to make us deviate from our path will be liable to punishment. [applause]

Chileans have also recently witnessed terrorist activities perpetrated with the objective of creating an atmosphere of violence and anarchy to undermine the achievement of those objectives established in 1973.

It is obvious that communism has experienced a defeat with the recent socioeconomic achievements and the well-known institutional development. It is also obvious, therefore, that communism will definitely disappear from our fatherland only after we have achieved these objectives. It is also obvious that since all its proposals have failed and since communism has been repudiated by the majority of Chileans, it has chosen violence to promote social disorder by (?perpetrating crimes) and killing innocent people.

It is also my duty to note that the permanent activity of the national security organizations, the armed forces and carabineros has helped us to disband numerous extremist cells and that this has enabled us to confiscate large quantities of explosives, weapons and literature on guerrilla fighting and terrorist activities. The recent discovery of a guerrilla training camp in (?Tumen) in the southern region and the confiscation of a large quantity of subversive material are examples of the audacity of these terrorists. Despite this, they have had to face our resolute decision to confront any aggression.

Moscow is waging an unceasing war against Chile at all levels and on all fronts on the basis of false arguments. An example of this has been the naive or ill-intentioned attempt to issue distorted reports on the activity of our national security forces which are courageously defending the laws of our fatherland and protecting the life of all Chileans. They have tried to involve the members of our security organizations in crimes that were perpetrated by criminals. These organizations act in compliance with the law and with its strict framework of hierarchy and discipline. Moreover, as an intelligence corps, they are highly useful organizations in our daily struggle against the subversive activity promoted by Soviet Marxism.

To confront terrorist activity with all our means, I have proposed a draft law which, in compliance with Article No 9 of the constitution, will detail in a complete manner the characteristics and objectives of terrorist activities.

Communism will never forgive us for the defeat we gave them on 11 September. Because the struggle against Soviet communism is a true all-out war, I reassert that our will to defend our cause is unyielding. [applause]

To those who say that everything has been overcome, I remind them that communism is carrying out an international campaign against Chile.

This is seen in many situations where they have invariably failed, such as the fact that day by day our position is being recognized in international forums and that many countries, which until recently viewed our process with distrust, are today aware that Chile is achieving development in peace and freedom.

Nevertheless, we must always be on the alert against any aggression that communism may develop against our country and against the many tactics it uses to achieve its objectives. Communism relies on many organizations throughout the world which strictly comply with the orders issued from Moscow.

We must double our efforts to be successful in our struggle against Soviet communist and its allies--and against those naive and ignorant people who helped them achieve power--since they are trying to cause Chileans to deviate from their commitment.

Fellow Chileans, I reassert that communism will never again pose a threat to the freedom of our fatherland. [applause]

As far as long-distance communications are concerned, we have carried out coordination tasks with friendly nations and [words indistinct] the new earth satellite station which will link the 11th region with the rest of the country and the world.

This project, implemented entirely by the Chilean Telecommunications Company, has linked this far-away area of the country to the rest of the nation and will allow us to use satellite facilities for domestic communications and to establish a nationwide network.

The opportunity to create new universities, professional training centers and technical education centers will significantly broaden the possibilities open to high school graduates. This is even more meaningful if we take into account that we have set up a liaison mechanism between the various educational institutions which will allow us to develop a more dynamic and effective system capable of giving greater participation to the private sector in the training of qualified manpower. And Chile will require more and more qualified manpower with the passage of time.

As a result of these legal instruments, the country has witnessed the creation of new regional universities and professional training institutions which have fulfilled pending needs and given the opportunity to the private sector to create new higher education centers.

From a state-controlled system of planning and coordination for public funds, we have switched to a competitive market system by using funds [words indistinct] research.

As for the transfer of agricultural technology, this is done through the Agricultural Planning Bureau and the regional branches of the Ministry of Agriculture. They are charged with providing technical and management aid. One of our main objectives is to awaken the interest of private concerns in supplying technical aid, improving at the same time the status of small farmers thus allowing them to acquire [word indistinct] by themselves.

The aid we currently provide includes management, agricultural, commercial and tax assessment skills which will permit the small farmer, unskilled in management, to further his own development.

As for mining, this year we have drawn up two draft mining laws of great significance. In accordance with the constitution, there will be a law which will set the rules and regulations for mining concessions based on original mechanisms aimed at reconciling private interests and the legitimate interests of the nation.

This draft law turns away from inflexible doctrinaire attitudes. It provides a fair and balanced formula for a mixed mining system within whose framework the state will retain its control over the largest copper mine in the world. At the same time, it will encourage the participation of the private sector in prospecting activities and exploitation of this sizable mining sector.

We have simultaneously drawn up a new mining code establishing clear-cut rules which protect the efforts of those engaged in this activity. To this effect, the government has promoted a pragmatic mining policy open to private investors, a policy which is awakening considerable interest in investing in the Chilean mining sector. Over 20 enterprises are currently prospecting in Chile. As a result, a large copper deposit has been discovered south of Antofagasta.

I would like to stress the amendments made to Decree Law 2200. These amendments have been made in response to concerns voiced by the Chilean labor sector, and at the same time they have strengthened the principles of freedom to work and equality before the law which are provided for in our constitution.

We have also eliminated the obstacles which the law itself created for the less-favored social sectors in their quest for jobs.

Finally, we have done away with mechanisms which, while supposedly aimed at protecting the labor-management relationship of the worker, merely reduced his income and undermined the well-being of his family.

In order to comply effectively with the constitutional principle of equality before the law, we repealed many regulations which created special systems favorable to small power groups and detrimental to most Chilean workers.

The responsible contribution from union leaders in the course of continuing talks between them and the government officials responsible for this sector has allowed us to improve the labor law and overcome problems which one can only become aware of through close contact with everyday labor reality.

Whenever the concern of the workers is directed at the effective solution to problems, they meet with the favorable response of the government. These concerns have given rise to regulations such as the restrictions on successive renewals of fixed-term contracts. From now on, no crooked businessman will be able to take advantage of fixed-term contracts.

The rational adjustment of discounts and the amendments of the labor law which effectively protect women workers, [words indistinct] job stability in case of sale or leasing of the enterprise.

These are just a few of the significant amendments to the labor law. Each one of them seeks to enforce justice and the effective equality of opportunities for all.

We must now urge both employers and workers to do their best to reconcile their interests because only a just balance of capital and manpower can give rise to common well-being.

Exceptional arrangements jeopardize justice and equality because they generate privileges. I want to make it clear that all exceptional labor arrangements will be eliminated and there will be one single law for all Chilean workers. In the same way I want to reassure you that all legitimate rights acquired by the workers will be respected. This is true labor justice and not mere demagoguery. [applause]

We must have confidence in the strength of our economy. We must be optimistic and aware of the responsibilities which the business sector has in our economy.

We have a free economy and this entails certain risks; therefore, the responsibility is greater. We cannot pretend to handle economic affairs through speculations which benefit no one. The mission of the businessman will be to (?improve) the production of goods and services, respecting but not taking advantage of the existing freedom.

Finally, I would like to say that as far as the public sector is concerned, the reorganization will be finished by 31 December this year. The fact is that no Chilean can be unaware of the unbridled growth which the public sector has experienced, resulting often from political considerations. This has forced this government to carry out an in-depth reorganization which has compelled us to dismiss personnel to attain greater efficiency and improve services.

Now that we have attained the goals which we had established, I can categorically state that as of 1 January 1982 there will be no more dismissals on the grounds of administrative reorganization. [applause]

Furthermore, I would like to announce that there will be a special bonus on the occasion of Independence Day celebrations in September 1981. For this one time there will be a bonus for all those who work for the central government and autonomous entities, municipal workers included. This bonus will amount to $410 for each worker, and the same amount will be granted to each person for whom the worker is receiving family allowance. The bonus will also be applicable to social security system pensioners. [applause]

As to the defense sector, I must note that in addition to fulfilling their normal activities in compliance with the constitution, both the armed forces and the national security organizations have achieved in the past year a high degree of professionalism which has enabled them to safeguard our national security and the enforced constitutional order.

As president of the nation and commander in chief of the armed forces, I hereby express my gratitude to all the members of the armed and security forces and to their distinguished wives and members of their families for the sacrifices they have made to safeguard our nation. [applause]

I wanted to note, moreover, that our international relations have been improved through military activities, mainly through the traditional cruising of the Esmeralda training ship and through the participation of Chilean Navy ships in the recent UNITAS operation, thus actively participating in hemispheric affairs.

The present technological developments have compelled our national military industry to confront the technological challenge through research, development and production of indispensable conventional war materiel. This has enabled us to achieve the minimum level of self-supply acceptable for self-defense.

The army factory and [word indistinct] started this year to manufacture war materiel--small and large-caliber ammunition (?used) in sophisticated weapons--in addition to applying modern techniques to manufacture tools, spare parts and other elements required by national and international industry.

As you can see, the Chilean war industry is not capable of producing all the materiel needed by the armed forces. Therefore, we have overcome this deficiency through the intense training and education of the members of the armed forces. Our soldiers applied their combat capability during an operation carried out in the southern region under severe weather conditions. The results of this operation were excellent.

The Chilean carabineros and the investigations corps have once again shown outstanding effectiveness in their tireless task of safeguarding our space and order by always being on the alert and by risking their lives. This is why many of their officials have fallen victims to extremists. All citizens have witnessed this struggle, and they have seen how Moscow through these terrorist activities strives to block the self-determination of the Chilean people.

From this podium, I express my deep appreciation to those members of the army, the air force, the navy and the carabineros and investigations corps who have given their lives for the sake of our national ideals. [applause]

Our foreign policy has maintained its actions aimed at defending Chile's sovereign right to develop in accordance with its own rules within an atmosphere of peace and tranquillity.

The diplomatic efforts of the Foreign Ministry have been designed to strengthen the bonds of friendship which we have with the other nations of the world.

In a world plagued by a constantly worsening political and economic situation, Chile has managed to overcome--without receiving help from anyone and thanks to long years of sacrifice and to the efforts of its people--a past in which various isolated or combined enemy forces tried to bring about the country's international isolation so as to cause the tremendous national reconstruction effort to come to nothing. [applause]

Nowadays, even though the anti-Chilean campaign has not ceased and is still being actively encouraged by Moscow, it has now met humiliation due to the calls for freedom which can be heard in the few countries which remain chained to the Soviet Union.

Nowadays, the expensive anti-Chilean propaganda receives support only from those who persist in their belief that the Soviet ideology could become a valid option at some time in the future.

Chile has not changed its attitude toward Soviet Marxism at all; the other nations are the ones that have changed their minds and are disillusioned. [applause]

Our voice, at one time alone in a frightened world, denouncing the expansionistic outrages of Soviet imperialism, is now openly echoed in a way that clearly shows a 180-degree turn in the mentality of the Western world.

The stage of absurd lack of understanding toward Chile seems to be drawing to an end. We are now even more strongly determined to overcome that past of hateful discrimination.

Chile will continue cooperating with everything intended at strengthening the principles of international coexistence and respect for the established and accepted international juridical order.

Our bilateral relations with the Latin American nations have continued to develop along established channels, and with many of these countries we have improved our ties of friendship, cooperation and trade. However, we are concerned over the fact that this region has lost influence in international organizations. I believe that for the most part this is due to the desire of certain states to impose given economic or political structures on other countries, although this seems to have been overcome recently. The expansionist action of communism is also responsible for the lack of unity in Latin America. The moral and monetary support given by the Havana government to subversive activities in several countries makes impossible any regional dialogue that includes Cuba.

We reassert our belief that the respect for basic rights and international coexistence are the only valid means for establishing an effective regional cooperation system. [applause] We will continue to denounce the violation of basic principles--such as non-intervention in domestic affairs, the peaceful solution of controversies, sovereignty and equality, respect for self-determination and the enforcement of international treaties --since all these measures provide the proper framework to achieve excellent diplomatic relation with all nations. [applause]

Chilean-Argentine relations are normal. There was intense activity last year regarding the southern region border dispute, a dispute which has been submitted to the mediation of John Paul II. This negotiation ended on 12 December when the mediator submitted a proposal of a secret nature which contains the formula for solving the dispute.

After a careful study of the proposal submitted by the pope, the Chilean Government approved the proposal on 25 December despite the fact that it does not fully satisfy our aspirations. But in so doing it showed that it is willing to grant full cooperation for achieving a just, honorable and definitive solution to this dispute.

During the present year, and despite the fact that the Argentine answer is still pending, the Chilean delegation and the representative of the pope have held several work and information meetings.

In compliance with the wishes of his holiness, our country answered his proposal as soon as possible; and it has promoted an easing of tensions within a framework of the spirit of the Montevideo pact. Moreover, it hopes that the desire expressed by his holiness will be kept in mind and thus achieve a definitive solution to the border dispute.

I reassert to His Holiness John Paul II our deepest gratitude for all the concern he has shown in this mediation process, a process important for both countries. [applause]

As for our bilateral relations with other neighboring countries, I must note that the permanent joint Peruvian-Chilean commission held a new round of negotiations in December 1980. The negotiations ended with the signing of several agreements concerning border trade, trade and technical development.

I am very proud to report to the nation that since July, Chile and Peru have resumed their diplomatic relations at the ambassador level with the presentation of credentials by their respective ambassadors.

I am pleased to note the visit Brazilian President Joao Baptista Figueiredo made to Chile last October. The excellent level of bilateral relations and the friendly ties that unite both our nations were sealed with the signing of several cooperation, judicial and economic agreements. Moreover, the joint declaration signed at the time reflected the positive dynamics that are the basis of Chilean-Brazilian relations.

I want to stress our strong agreement with Uruguay and Paraguay which resulted many times in concerted actions in international organizations. The success of the Chilean foreign minister's visit to Bogota revealed interesting prospects for our relations.

During the conflict between Peru and Ecuador we were called upon [words indistinct] to participate with the United States, Brazil and Argentina in the effective negotiations which led to a cease-fire and withdrawal of troops (?to end) the deplorable incidents in the Condor Mountains.

Our policy of cooperation with the process of Latin American economic integration was reaffirmed by the ratification of the international documents creating the Latin American integration (?network). The recently concluded tour of the Chilean foreign minister through the capitals of several Central American countries reaffirmed our decision to cooperate with the development of those countries. The interference of other states to destablize the Salvadoran Government was denounced in international forums, and the Chilean Government, as a zealous guardian of the principle of self-determination of peoples, issued through its Foreign Ministry on 2 September a declaration of adherence to substantial aspects of the declaration issued by the governments of several Latin American countries in response to a French-Mexican note on the international situation of El Salvador. We reiterate our total repudiation of any form of extremist subversion, and we deem as very serious the precedent which would be set by the recognition of political representativity for subversive factions which resort to terrorism as their main method of action.

At the same time, we support the Salvadoran Government's determined efforts to ensure peace, dignity and social justice [words indistinct].

My government is greatly pleased over the improvement of our bilateral relations with the United States. From the very beginning of the Reagan administration we have witnessed the enforcement of positive measures and the lifting of unjust measures that affected U.S.-Chilean relations. The strengthening of coinciding positions between Chile and the United States (?for the good of) regional solidarity should be stressed. Foreign Minister Rojas Galdames' visit to Washington this past July permitted personal contacts with Vice President Bush and Secretary of State Alexander Haig in the new context of bilateral relations. Likewise, the exchange of visit and the presence in Chile of important personalities such as Mr Walters, personal envoy of President Reagan; and the U.S. ambassadors to the United Nations and the Organization of American States, Kirkpatrick and Middendorf, permitted the exchange of information and the establishment of coordination on questions of common interest.

With the United States there are still restrictions unilaterally imposed against Chile, restrictions adopted on the basis of legislative motions. We hope that, as Chile has noted in the bilateral contacts, these unjust discriminations will be corrected.

Our relations with West European countries have been intensified and have developed with particular emphasis on the economic and commercial areas. However, there are cases in which the intention to develop relations with some countries has been affected by positions designed to maintain distance of ideological reasons. Nevertheless, the real situation in Chile made it possible to refute with facts the slanders by such sectors. The existence of normal relations with West European countries became more apparent this year when the abnormal situation of diplomatic relations with Italy was resolved.

Our ties with African countries have been strengthened through the increased diplomatic presence of Chile on that continent. Chile has offered technical assistance and support to the Government of Guinea for the reconstruction of that nation which was isolated by a Marxist dictatorship. We have also maintained our principle of rejection for illegal occupation of territories and have contributed through economic aid to the relief of refugees (?affected by) the conflict.

As for our relations with Arab countries, they have continued along the lines of the traditional Chilean position: total support for the just cause of peace in the Middle East. We observe with concern the violence engulfing Lebanon, a country with which we have so many bonds of affection. We have just agreed to exchange concurrent ambassadors with Saudi Arabia. Likewise, some agreements of mutual benefit have been concluded with Israel, Egypt and other countries in the region.

Our relations with the PRC are being maintained at a high level, as attested in meetings both in Santiago and Beijing. Our ties are a clear demonstration of the disposition and friendship between countries which share the cause of the Third World.

Our presence in Asia has been intensified remarkably. Relations with Japan, the ROK and ASEAN countries are being expanded and strengthened in all areas of activities. Promising prospects are open for relations with Australia and New Zealand, countries which which we share common interests in the Antarctic. Our relations have prompted our active participation in all important meetings within the UN system, the OAS, and other important regional and international organizations.

My government has also intensified efforts to stress the need for a review of procedures which, in a discriminatory and arbitrary form, affect some nations and Chile in particular. We will not cease denouncing those organizations which, under the umbrella of legitimate aspirations in defense of human rights, serve as mouthpieces of hypocritical partisan denunciations. In concluding my remarks on diplomatic matters, I underscore the strenuous work being carried out by our Foreign Ministry.

Fellow countrymen, to conclude this state of the nation message I can tell you that the fruitful action of this government is visible and tangible. Nobody can deny the accomplishments made with no objective in mind other than making Chile a great country. These accomplishments have required the sacrifice and efforts of all Chileans--women, workers, young people--every Chilean who has done his share of sacrifice for the advancement and progress of Chile. But there is still much to be done, and thus we have to redouble our efforts to continue carrying forward the task to make of Chile a just, free and sovereign nation--a nation in which every man may find his self-fulfillment. [applause]

Before I finish this message, and interpreting the sentiment of all Chileans, I humbly thank God from the bottom of my heart for the strength He has bestowed upon us to overcome the adversities and pursue the attainment of our highest ideals. Thanks, oh Lord, for 11 September 1973, when You made it possible for us to save the most sacred values of the nation. Thanks for giving Chile the blessings of freedom. [Words indistinct] the almighty who continues to look upon this land in which we join our hearts [words indistinct] to proclaim: Long live Chile. [applause]

ULLOA DENIES KNOWLEDGE OF U.S. ARMS OFFER

PY150344 Lima EL COMERCIO in Spanish 3 Sep 81 p A-4

[Excerpts] Peruvian Economy Minister Manuel Ulloa Elias stated yesterday that the Peruvian Government has no knowledge about a U.S. credit offer to purchase armaments.

He noted that the Peruvian Armed Forces act in compliance with a program for purchasing, maintaining and installing armaments and that they resort to the most appropriate sources "whether from the United States, Europe or the USSR."

After noting that there is no secrecy in this regard, he also said that there are no plans to go beyond the pertinent established programs nor for others that are unsuitable or not in compliance with national defense needs.

ARIAS STELLA AFFIRMS PRINCIPLE OF NONINTERVENTION

PY150322 Lima EL COMERCIO in Spanish 3 Sep 81 p A-4

[Excerpt] In view of the joint declaration signed by France and Mexico which grants "representativity to a certain political faction" in El Salvador, Peruvian Foreign Minister Javier Arias Stella reasserted yesterday that Peru fully supports the principle of nonintervention in the domestic affairs of other countries.

Arias Stella noted that this recognition does not fall within the legal framework of international rights.

The foreign minister also expressed his support for the efforts that Salvadoran authorities are making to achieve peace and social justice within a pluralist and democratic system.

Arias Stella noted that El Salvador must arrive at a proper political solution to their domestic problems by themselves and without either direct or indirect foreign interference.

MINISTER WANTS COUNTRY TO RETURN TO ANDEAN PACT

PY141940 Paris AFP in Spanish 1738 GMT 14 Sep 81

[Text] Lima, 14 Sep (AFP)--It was reported here today that Roberto Persivale, Peruvian minister of industries, tourism and integration, has voiced his desire to see Chile return to the Andean Pact.

According to the local daily EXPRESO, the minister met with a group of political journalists from metropolitan dailies and told them that the circumstances which brought about Chile's withdrawal from the Andean Pact have been practically overcome.

The minister added that nothing justifies Chile's current attitude toward the Cartagena Accord because many of the agreements which it repealed in 1976 have been amended.

He made a very special mention of the amendments to Decision 24 which has to do with the treatment of foreign capital and was the main reason for Chile's withdrawal from the Andean Pact.

He concluded by saying that Peru experienced a situation similar to that of Chile at the time of the textile industry crisis, but as soon as the crisis was overcome the country reaffirmed its support for integration.

PRESIDENCY MINISTER PRAISES PRD, CITES GOALS

PA150132 Panama City LA ESTRELLA DE PANAMA in Spanish 13 Sep 81

[Speech by Presidency Minister Ricardo Rodriguez during ceremony to pay homage to the people's power on occasion of the 10th anniversary of the first National Assembly of Corregimiento Representatives, in Panama City, date not given]

[Excerpts] Honorable Representative Luis de Leon Arias, president of the National Assembly of Corregimiento Representatives; Mr Gerardo Gonzalez, secretary general of the Democratic Revolutionary Party [PRD]; Mr Carlos Espino, president of the National Association of Constituents; Dr Jorge Illueca, foreign relations minister; Berta Torrijos de Arosemena, director of the Human Resources Education and Training Institute; Mr Vice Presidents of the National Assembly of Corregimiento Representatives; honorable provincial governors; honorable representatives; honorable constituents; ladies and gentlemen:

First of all, I want to convey greetings and congratulations from his excellency, the president of the republic--who regrets not being able to be among us--to the organizers of this meeting. He has also sent congratulations to Luis de Leon Arias and the people's power that he represents on the occasion of today's homage.

Congratulations, honorable constituents, for this particular demonstration of unity within the revolutionary process.

This was the message from the president of the republic for all of you.

What was born 10 years ago, in August 1971, is being represented at this moment by all of you. I am speaking to all the regions of the republic, with all the towns of our nation. This is the revolution that Omar Torrijos led: "The people to power; power to the people."

This is why we are strong. Many believe, they think, that the strength of our process lies in weapons. But no, the strength of our process lies in the fact that in each town, in each corner, in each village, in each organization, wherever there are people, there is a leader of the people representing the PRD, the revolutionary process and the government of Royo.

This is the reason why the revolutionary process exists and is based on the political reforms created by General Torrijos on 10 August 1971.

I believe that in honor of the people's power, and President Royo, and as part of the homage being paid to Luis de Leon Arias, we should mention some of the great achievements of this process. I believe, forgive me if I am mistaken, that Torrijos' greatest victory--the most important political inheritance he left us--that the greatest victory of the revolutionary process, was the enhancing of the dignity of our nation and the turning of our small country from a colonial satellite into one of the most important political nations of the world; into one of the countries that directs international policies--and Torrijos himself, became one of the greatest political leaders of the world. This is, in my opinion, the main achievement of this process.

We have to remember, gentlemen, one must live through something like this as we did in the past, to understand what our country was: a simple messenger, a pawn, of the foreign policy of the northern power. Panama, without blinking an eye, used to vote as the State Department indicated. Panama's foreign policy was based on the policies of the State Department.

I remember how 7 years ago, in 1974 I believe, when we reestablished relations with Cuba, former Foreign Minister Tack received the U.S. ambassador, who verbally told Tack that if we reestablished relations with Cuba, "they would not vouch for what could happen in Panama."

Later there was a note from the State Department confirming the statement. That was the day General Torrijos and his government decided to reestablish relations with Cuba at any cost.

This is the kind of dignity we have inherited. This is the kind of dignity that allows the foreign minister and this spokesman for the president to refer to the confrontation we have over the implementation of the treaties by telling the U.S. Government: The colonial days are over!

Another legacy of the revolutionary process, companeros, is what I referred to at the beginning: power to the people, the people to power!

Generally speaking, I would say that these are perhaps the greatest achievements of this process. But there is one more: I remember that at a meeting of the board of directors of the canal commission, during one of those squabbles that take place at those meetings, a U.S. delegate told me that the Panamanians are receiving 72 million [no currency specified] for the canal and this and that. I told him: Look, Mr...don't tell me about the 72 million because in 1904 you were giving us 250,000 and in 1955, 1.9 million. That is, now they are giving us what they should have been giving us since 1905. That is, they have been stingy.

Today, to use other words, the great task of the revolutionary process is to turn the canal into a real source of income for the republic; into a true tool of development for the republic; and finally, to dismantle the colony. This dismantling has a fixed date: 1 April 1982, when the last U.S. policeman and the last U.S. court will leave this country.

This has been possible thanks to our government system which guarantees that the entire nation will participate in all the decisions of the government. This system guarantees the true participation of the people in the exercise of power. But Torrijos, since he was a restless man and was never satisfied with goals, drew for himself another goal; and despite the fact that revolutionary power was completely consolidated, he ordered the opening of the democratic process and allowed, through political reforms, the participation of all the ideological currents in the nation.

To conclude, companeros, I believe that everything I have said leads to the conclusion that all of us must strengthen our spirit, our unselfishness, our discipline and that all of us should offer more of ourselves rather than to ask for more for ourselves. This is the only way the process will be irreversible. Believe me, companeros, corruption is treason and treason entails the destruction of the revolutionary process. Therefore, we need spirit, more spirit, more honesty, more unselfishness and more discipline.

Finally, I want to remind you that we have not yet reached the final anniversary, the year 1999.

We still have 18 years ahead of us. The nation still has 18 years to go. We are still an occupied country. We still have foreign soldiers on our territory! Therefore, we cannot drop our guard. Therefore, we have to be a nation that is ever stronger, with an ever-stronger process, with an ever-more united nation, an ever-more united process, to make sure that in the year 2000, or before the year 2000, our nation will be completely free and independent, as General Torrijos wanted.

Thank you very much.

FEP LEADER PANTHER VIEWS FUTURE YOUTH GOALS

PA150158 Havana International Service in Spanish 1800 GMT 14 Sep 81

[Text] Mario Panther, secretary general of the Federation of Panamanian Students [FEP], said in Panama City that the completion of the return of the Panama Canal and the changes within the revolutionary-democratic process are the two great tasks of Panamanian youth.

The student leader said that during the second stage of this struggle we must obtain the total withdrawal of U.S. troops stationed in the Panama Canal.

He said that the 11th FEP council, to be held from 24 to 27 September in Panama City, will serve to express solidarity with the just cause of the Salvadoran people and protest the genocide and terrorism of the military-Christian Democratic junta. He also said that the decision of the French and Mexican Government to recognize the FMLN [Farabundo Marti National Liberation Front] and the Revolutionary Democratic Front as representative political forces, was a highly positive step.

COMMERCE MINISTER MEETS WITH JAPANESE DELEGATION

PA150051 Panama City LA ESTRELLA DE PANAMA in Spanish 13 Sep 81 pp A-1, D-18

[Text] The members of Japan's House of Representatives who are visiting our country told Commerce and Industries Minister Arturo Melo: We are interested in the construction of a sea-level canal and in strengthening the economic relations between our two countries.

The Japanese delegation is made up of Kichizo Hosada, member of the Eiji Nonaka House Budget Committee; Jitsuo Inagaki, president of the Commerce and Industries Committee; Takeshi Osada, member of the Foreign Committee; Ichiro Horiguchi, member of the Commerce and Industries Committee; Kiyashi Ueda, director of the sixth division of the House Secretariat; and Yoshio Yshida, Mr Nonaka's secretary and a member of Japan's Liberal Democratic Party.

The minister of commerce and industries expressed to the Japanese delegation the Panamanian people's desire to increase the trade with Japan.

On the subject of the sea-level canal, Minister Melo spoke of the need for the current canal to be replaced by another canal which will satisfy the needs of modern times, pointing out that this visit has coincided with the U.S. Government's announcement of the approval of a feasibility study to be accomplished by the three governments which will give the answers regarding the cost, financing, infrastructure, employment, ecology and so forth of the project.

The Japanese described the importance of this work as a project that will benefit the whole world, and said that if it is beneficial for Panama it will be beneficial for the world and Japan.

We want Panama to be a free and independent country, the members of the delegation said, during a lively and productive meeting at which ideas on the development of the country were exchanged.

On the subject of development, they recommended that Panama should work on becoming an international trade center with assembling facilities and processing industries, taking advantage of its geographical position.

Panama should also consider a transportation center, a center for the marketing of energy articles and an international financing center.

In thanking the Japanese delegation for their visit, Minister Melo said that within the framework of recommendations made by the Ministry of Commerce and Industries, with a view to the future, he is working on several projects such as a commercial and industrial free zone on the Atlantic coast and a port for the transshipment of coal.

COSTA RICA

FOREIGN MINISTER SAYS BELIZE WILL BE RECOGNIZED

PA150221 San Jose Radio Reloj in Spanish 0100 GMT 15 Sep 81

[Text] The Costa Rican Government will recognize Belize as a free and independent country after 21 September, Foreign Minister Bernd Niehaus asserted. A Costa Rican official delegation will go to Belize, which will be granted its independence by Great Britain. Niehaus said that Costa Rica has always recognized the right of self-determination of people and in the case of Belize, it has always supported the people of Belize in their struggle for independence.

After announcing that Costa Rica will recognize Belize as an independent country, newsmen asked Foreign Minister Niehaus if this would not cause problems with Guatemala. His answer was that Guatemala will recognize Belize as a country forming part of the Latin American system and the differences that now exist will eventually disappear for the benefit of the two nations.

The thesis of the Costa Rican Government is that Belize should have its independence because the people of Belize have been struggling for a long time for their independence, Neihaus added.

DEPUTY FOREIGN MINISTER LEAVES FOR ROK, JAPAN

PA111952 San Jose Radio Reloj in Spanish 1730 GMT 11 Sep 81

[Summary] At the invitation of the Government of the Republic of Korea [ROK], Deputy Foreign Minister Mario Fernandez Silva left today for a 1-week visit to Seoul, during which he will discuss the bonds of friendship between the two nations.

He will also go to Japan, where he will lecture on Costa Rica's economic and social conditions and on the general Central American situation.

SANDINIST LEADER BAYARDO ARCE ARRIVES ON VISIT

PA102248 San Jose Radio Monumental Network in Spanish 1730 GMT 10 Sep 81

[Text] Sandinist leader and Commander of the Revolution Bayardo Arce, today arrived in Costa Rica, accompanied by other Nicaraguan Government officials aboard the plane known as 19 July. He was greeted at the Juan Santamaria Airport by the Nicaraguan ambassador here and by Juan Jose Echeverria Brealey.

In an interview with reporter Eduardo Enrique Leiva at the airport, Commander Arce made the following statements:

[Begin recording] [Question] Commander Bayardo Arce, what is the reason for your surprise visit to Costa Rica?

[Answer] Well, it is actually not a surprise visit as we maintain constant contact with President Carazo and the Costa Rican Government to keep abreast of our common problems. Sometimes Costa Rican officials visit us and at other times, like the present, we come to call on Costa Rican authorities.

[Question] Are you going to report on the measures adopted by the junta and announced through a radio and television network last night?

[Answer] Well, if we have time, we may offer some explanations on these measures, although the governing junta yesterday held a long news conference to explain them.

[Question] Since we are not well informed about them in Costa Rica, will you refer to them?

[Answer] Probably later on, once we have talked with our embassy officials about their work here.

[Question] What is the political situation in Nicaragua at present? The information we receive here is quite contradictory. Commander Borge has implied that the counterrevolution is seriously affecting the country. Can you tell us anything about that?

[Answer] We have always maintained there are counterrevolutionary plans underway; that there are groups training in other countries. We have even mentioned the places where these counterrevolutionaries are training.

[Question] What do the members of the governing junta plan to do in view of the situation which is now confirming the information you have been receiving?

[Answer] I do not understand your question.

[Question] For quite some time you have reported the existence of such counterrevolutionary forces, and now it appears the matter is gaining force. What can you say about it?

[Answer] Counterrevolutionary activity has been going on for quite some time and, likewise, it has been opposed and neutralized every time they have showed up in the country.

[Question] Is there anything else you would like to add?

[Answer] Not at this time, as we have come merely to exchange views on the economic situation of our two countries and the measures being adopted in that respect. [end recording]

It is possible that President Caraza may receive Commander Bayardo Arce this afternoon to hear about the latest economic measures adopted by the Nicaraguan Government. In fact, Commander Arce may present the Costa Rican chief of state with a copy of these measures.

BRIEFS

WORKERS FRONT PROGRAM--The Democratic Workers Front is planning a program to curb the increase of the high cost of living, unemployment and labor persecution, said Prof Jose Joaquin Melendez, its coordinator. Under no circumstance will the Democratic Workers Front permit an increase in the high cost of living, unemployment and labor persecution. The front is organizing a program which has great possibilities of success and no repercussions against the working class, said the coordinator. He also said that when the entire program is completed, it will be announced to the public. [Text] [San Jose Radio Reloj in Spanish 0100 GMT 3 Sep 81 PA]

EL SALVADOR

FOREIGN MINISTRY SUMMONS DIPLOMATS TO MEETING

Reports To OAS Repudiated

PA121700 San Salvador EL MUNDO in Spanish 10 Sep 81 p 1

[Text] The Foreign Ministry reported today that the ambassadors or charges d'affaires of El Salvador in Central America, Panama and Mexico have been summoned for consultations. Likewise, it announced that the Ministry of Foreign Relations "totally repudiates the person or persons who, in the name of our country, have been supplying information at the OAS about Salvadoran domestic affairs."

It was explained that the ambassadors and charge d'affaires were summoned for meetings with Dr Fidel Chavez Mena, the minister of foreign affairs for a number of consultations involving diplomatic relations with the nations to which they are accredited and for participation in a meeting on Saturday with the incumbent and former ministers of this portfolio who are members of the Foreign Ministry consultative council. The source explained that the reports filed by international agencies datelined Washington at OAS headquarters refer to El Salvador's position on foreign intervention in its domestic affairs, but lack the proper authorization to do so, for which reason they have been declared worthless.

Lastly, it was pointed out that "El Salvador has established its position rejecting all foreign intervention in matters that are the affairs of the Salvadoran people alone and this position will be reiterated when it is deemed timely. As for the OAS, it was said, our country has not presented any documents at this organization, but the Foreign Relations Ministry reserves the right to whenever it is deemed advisable for the nation's interests, on the basis of international law."

Declaration Evaluated

PA150156 San Salvador EL DIARIO DE HOY in Spanish 14 Sep 81 p 9

[Excerpts] Fidel Chavez Mena and Alejandro Gomez Vides, top Foreign Relations Ministry officials, presided over a working meeting with the Salvadoran ambassadors to Central American countries and Salvadoran representatives in South America and Europe held at the foreign minister's office all day Saturday.

This meeting was held at Chavez Mena's request in order to make an overall evaluation of the joint French-Mexican communique. During the meeting, the foreign minister explained the political thesis of the Salvadoran Government. The ambassadors and minister-counsellors also expressed their views.

FMLN OFFICIAL ON MISINFORMATION ABOUT DECLARATION

PA140007 Havana International Service in Spanish 0000 GMT 12 Sep 81

[Text] We shall now hear statements made in Mexico City by Ruben Zamora, member of the Farabundo Marti National Liberation Front [FMLN] Political-Diplomatic Committee and of the Revolutionary Democratic Front [FDR] in regards to the misinformation campaign being waged by imperialist news media on the Latin American repercussions of the French-Mexican decision to recognize the political representation of one of the Salvadoran popular organizations:

[Begin recording] The fact that information must be [words indistinct] in these countries is an indication of the importance and world impact of the French-Mexican recognition of the FMLN and FDR.

What has really happened is that following the French-Mexican declaration, a group of nine Latin American countries [word indistinct] by Venezuela and Colombia signed a statement against Mexico and France charging them with interfering in Salvadoran domestic affairs.

Later, news agencies launched a misinformation campaign to include other countries opposed to the French-Mexican declaration. To mention a few cases, there was an attempt to include the Ecuadorean Government among the group of those opposed to the French-Mexican declaration. At this time the Ecuadorean foreign minister called a news conference in which he said that Ecuador continued to maintain its policy of seeking a political solution in El Salvador, respecting the independence of the Salvadoran people, and that this attitude should by no means be understood to be an attack on the French-Mexican position, which the Ecuadorean Government considered a sovereign act of these two countries.

There was also an attempt to include President Carazo and his regime within the group opposed to the French-Mexican statement. [Words indistinct] President Carazo received an official delegation of the FMLN-FDR Political-Diplomatic Committee. President Carazo allowed the information media to publicize this official visit during which he clearly said that by no means would he join those criticizing the French-Mexican declaration, that he respected the opinion of France and Mexico and that the Costa Rican Government was searching and trying to find a political solution.

We could mention other cases, for example, Brazil. In recent months Brazil has maintained a well-defined attitude toward the Salvadoran situation, opposing foreign interference in El Salvador. This was clearly revealed by the Brazilian Government to General Walters when he arrived in Brazil on behalf of the U.S. State Department and tried to pressure the Brazilian Government into supporting the Reagan's regime anticommunist campaign.

On that occasion the Brazilian Government issued a [word indistinct] statement opposing any kind of interference in El Salvador. Now the Brazilian Government is again reasserting its political opinion which seems correct to us. However, transnational agencies and Colombian and Venezuelan interests are trying to manipulate the information and make it appear in opposition to the French-Mexican declaration. [end recording]

In regards to the attitude of Venezuela and Colombia of not asking the Andean countries to support their joint rejection of the French-Mexican decision, Zamora said:

[Begin recording] It would seem logical for Venezuela and Colombia to first seek the support of the Andean Pact countries. However, facts showed that this support could not be obtained because we already know of the attitude of the Ecuadorean Government which refuses to criticize France and Mexico [words indistinct] friendly countries. There is also something else. During the Santa Marta meeting last December, Venezuela attempted to present Napoleon Duarte as a democratic leader. During this meeting, it was precisely the Ecuadorean president, aware of his role as democratic leader of Latin America, who clearly opposed this attempt at manipulation and kept the Andean Pact from accepting Duarte as a democratic leader, when he is nothing but a puppet of the repressive military regime existing in our country.

In this respect Venezuela and Colombia saw themselves compelled to seek support from the fascist dictatorships on the continent and found themselves compelled to sign this declaration with the regimes of Pinochet, Paraguay, Uruguay and the Bolivian drug traffickers. This was a brutal blow to what had formerly been the democratic policy of the Venezuelan Government.

Therefore, the Social Christian Party regime finds itself linked to the fascist dictatorships of the continent in the defense of the fascist dictatorship of Napoleon Durate and the Salvadoran military. [end recording]

CHRISTIAN DEMOCRATS HOLD NATIONAL CONVENTION

PA150024 San Salvador EL DIARIO DE HOY in Spanish 14 Sep 81 p 42

[Text] A communique was received yesterday afternoon reporting on the national convention of the Christian Democratic Party [PDC] held yesterday and at which certain political decisions were adopted.

This convention elected Julio Adolfo Rey Prendes to chair the event. Jose Antonio Morales Ehrlich attended as a PDC member. The points discussed in the agenda included: the presentation of the new statutes to the Central Electoral Council, as well as the lists of the national executive organizations and the Ethics Court of the PDC.

The PDC expressed its will to continue as a political party and to inform the Central Electoral Council about this. The convention also agreed "to hold PDC meetings in vairous areas of the country and to seek a dialogue to find a solution to the different problems that our fatherland is facing."

DEMOCRATIC ACTION DEFINES, DEFENDS POSITION

PA150332 San Salvador EL DIARIO DE HOY in Spanish 14 Sep 81 p 29

[Paid advertisement]

[Excerpts] As always occurs in the diplomatic sphere and in view of the campaign of discredit provoked by vested sectors, the public has begun to wonder and ask about the true leanings of our movement.

Some say that it is a rightist movement and use their own biased reasons to prove their point. Others say that it is a leftist movement where leftwingers have room. There are still others who say our group backs one sector, particularly the Productive Alliance. Others suggest that we have contacts with the Revolutionary Democratic Front.

None of these affirmations is true. Democratic Action [Accion Democratica--AD] has clearly defined its political democratic and multisectoral position and it has done this in the following manner: Our movement is a nationalist democratic force respectful of the ideas of others but firm in its convictions. It advocates economic and social reforms but opposes demagogy and opportunism. It has solid ideological concepts but is pragmatic in its approach to administrative tasks. It is willing to participate in all sorts of talks which do not imply that it would have to give up its democratic ideas. It believes that the general well-being comes before particular interests and defends justice based on liberty and order.

The aforementioned means that AD is a movement aligned with the people and within them, with the majority groups of the nation, made up of the large middle class and the farm and city workers. If this were not so and if we did not side with the people and, instead, defended social privileges whihc must be viewed as something of the past, we would have to agree that our movement lacks sense and would be going against history.

[Signed] Democratic Action

P.S. It is true that AD, as the ruling party says, is still not a registered political party. This does not mean, however, that we cannot raise our voices as any other citizen's group can to demand a better destiny for our nation. Only the stubborn can attempt to smother the popular voices, assuming medieval and inquisitorial attitudes based on an alleged divine right which history has made obsolete.

If it is a matter of arrogant attitudes, we want to remind the Christian Democratic Party [PDC] that its arrogant expressions are only based on a pact the PDC signed behind the people's back after it had betrayed its former allies of the popular forum.

JUNTA'S MORALES EHRLICH ON AGRARIAN REFORM

PA150236 San Salvador LA PRENSA GRAFICA in Spanish 6 Sep 81 pp 3, 18

[Text] "Agrarian Problems of El Salvador and the Government's Agrarian Reform Policy" is the title of the lecture delivered by Dr Jose Antonio Morales Ehrlich, member of the revolutionary government junta and president of the Salvadoran Institute of Agrarian Transformation (ISTA), on Monday during a seminar for public sector executives at the Presidente Hotel in this capital.

Dr Morales Ehrlich pointed out that when dealing with Agrarian affairs, it is impossible not to mention the nation's social structure. He, therefore, thoroughly discussed this topic, alluding to past times and present decades. He noted that El Salvador's agricultural sector currently has two branches. One deals with products for export--coffee, sugarcane and cotton--while the other deals with crops for popular consumption, grains in particular. He pointed out that cattle are also raised and that there is fishing and a very deficient forestry industry.

Dr Morales Ehrlich stressed that those who produce crops for export have always had the nation's best land. As time passed, they became an oligarchy that controlled the economic, social and political power; roads, water and electrical services were built around these lands. On the other hand, poor land was dedicated to the other crops and had none of the services.

This unjust structure has punished the nation because violence has been most pronounced in these neglected areas, said the speaker. He added that the middle class became the servant of the oligarchy that owned everything in the political , financial and industrial fields, while the large mass of poor, the alienated people, increased every day.

The nation's situation had become very grave, giving rise to the military movement of 15 October 1979, said Dr Morales Ehrlich. He talked about the poorest lands being in the hands of poor farmers without support of any kind, the lack of farming diversification. He spoke about the disintegration of society, political forces bent on greater destabilization, fear and unrest, which aggravated the conflicts.

The junta member noted that the 15 October 1979 movement had various consequences, among them the disintegration of previous alliances and the creation of new ones to form the government and take more appropriate steps to solve problems. We were trapped, said Dr Morales Ehrlich, in a vicious circle: the greater the oligarchy's power and more alienated the majority of people.

This poor social structure has resulted in poor farming practices, adduced the head of state, because more importance is given to the crops that produce the highest income--crops that bring the largest profit. There could have been an increase in the harvest but not in national development or in the improvement of society. All efforts to remedy this situation failed, said Dr Morales Ehrlich, because people were never considered the objectives of development. It was this hunger, inequity and poverty that generated violence.

Continuing his analysis, the junta member said that from 1978 to 1979 there was a total decline in the life of the nation which in addition to being the consequence of poor social structures, was also caused by low prices, further violence, labor pressure, pessimism of farmers, capital depletion and abandoning of farms. In general the picture is somber. The way the land was distributed was totally deficient. This blocked national development. There was no interest in diversification, reforestation and so forth. The Agriculture Ministry's efforts were futile because it walways acted with a respect and absolutist concept of ownership rights. Fishing was irrationally accomplished. With regard to cattleraising, as violence and the possibility of change approached, cattle ranches were extensively sacked. Over 200,000 head of cattle were taken out.

To this, pointed out Dr Morales Ehrlich, we must add the present problems: coffee rust; low prices; careless farming; the farmers' fear; apprehension over Decree 207, which abolishes partnerships. All of these problems are exaggerated by persons interested in halting the process of change. In addition, he said, cottongrowers are operating without considering either the ecology or the peasantry.

To counter all these farming problems, the government has set up the national development plan, Dr Morales Ehrlich reported. It is scheduled to last 20 years. Around the year 2000 farming will be the foundation for the agriculture industry and development as a whole. It is tremendously important. But perhaps in 5 years this will not have such dramatic importance because by then the process of promoting services, industry and a variety of other issues will have been consolidated.

Steps toward development have failed in El Salvador, said Dr Morales Ehrlich. He stressed that our country has never been inclined toward socialism. Neither has it advocated the drama such as that offered by the extreme left, which wants to destroy everything and then build the dictatorship of the proletariat on the ashes. The speaker pointed out that the rightist sector wants a return to capitalism at any cost.

On the other hand, the government has a revolutionary concept--one that is in accordance with the principles of liberty and democracy. The agrarian reform and reactivation of agriculture is proposed within this framework.

Dr Jose Antonio Morales Ehrlich regretted that private farmers refuse to become part of the agrarian reform process. Insufficient planting is being done, he observed. On the other hand, planting and production increase each year in the farms that are part of the process.

In addition, he said, violence has not diminished and this stands in the way of confidence in farming.

At the close of his lecture, several questions were asked. In his replies, the speaker explained his ideas in more detail, especially regarding housing; wages; the improvement of cooperatives; collaboration of ISTA in managing farms, the foreign debt, previous attempts at agrarian reform and so forth.

Truth About Reform Questioned

PA120108 San Salvador EL DIARIO DE HOY in Spanish 10 Sep 81 p 9

[Editorial: "The Advantage of one System Over Another Can Only Be Accepted When Compared"]

[Excerpt] Salvadoran television has tried recently and frequently to tell the Salvadorans of the many wonders and success of the agrarian reform. It has reported that production has increased, that the peasants are making more money and are having better job opportunities, and that properties are also improving due to proper preservation and maintenance methods. Unfortunately, the truth is that things are the opposite in cotton plantations and cattle ranches. Crops have not been harvested in large areas where stubbles and bushes are gaining on what used to be well-cared-for fields. There is a noticeable neglect in haciendas which a few years ago were among the best in the country. What is even more sad is to see thousands of peasants going from one place to another asking for something to do just for something to eat.

PRELATE CRITICIZES STATE OF SIEGE, DEATH SQUADS

PA141441 Paris AFP in Spanish 1802 GMT 13 Sep 81

[Text] San Salvador, 13 Sep (AFP)--Monsignor Rivera y Damas, acting archbishop of San Salvador, today deplored the government junta's decision to extend the state of siege in the country for another month "without having made a serious evaluation of its results and in spite of many requests for its abolition."

However, Rivera y Damas said that he was pleased to see that the Salvadoran newspapers have begun publishing statements from trade associations, "which could be an indication that we are entering a stage of true freedom of expression."

Rivera y Damas announced that he will visit Ecuador this week to attend a meeting commemorating the 20th anniversary of the Episcopal Action of Adveniat [not further identified] of the German Catholic Episcopate and people. The meeting will analyze the church-to-church assistance reaching El Salvador for various pastoral projects.

The archbishop also appealed to the civic and Christian conscience of every Salvadoran citizen to make a self-examination "because healthy social and human coexistence must be based on mutual assistance, on reconciliation and on forgiveness."

He added that at this moment in El Salvador one cannot speak of reconciliation, mutual assistance and forgiveness "without necessarily speaking of dialogue, which would be the way to begin searching for a peaceful solution to the conflict which exists and thereby prevent greater bloodshed."

However, he emphasized several facts which can be obstacles for dialogue, mentioning among others the threat of the so-called Death Squad which continues to murder those whose actions it considers subversive, "thereby taking the law and justice into its own hands."

He criticized the left for the massive killing of relatives of national guardsmen in (Aieituno) canton, San Buenaventura jurisdiction, Usulutan Department, east of San Salvador; and in San Jose las Flores, Chalatenango Department, in the country's north. "These incidents are unjustifiable," emphasized the priest.

Rivera y Damas insisted that the political prisoners be placed at the disposal of the proper courts, that "indiscriminate arrests" be stopped and that those who have not been found guilty be released.

He also referred to the political prisoners' hunger strike. Before making a general statement he explained the theological basis for using a hunger strike to apply political pressure.

"If the hunger strike is for a limited time and its goals are just and legitimate, then a hunger strike as a peaceful protest is legitimate," he said.

"However, if the strike is for an indefinite period of time and it is pursued to its ultimate consequences, death, then the strike is forbidden, even if its motives are legitimate, because we are obliged to preserve life," he added.

Rivera y Damas said that the hunger strike declared by the political prisoners in El Salvador should be taken more seriously and that their requests should be analyzed with great diligence; that is, the legal processes should be accelerated, the violations of human rights ended and the whereabouts of the missing political figures determined.

"Heeding these requests would help to create a climate of greater confidence in the country's democratic life," he said.

Monsignor Rivera y Damas announced that he personally will speak for the political prisoners tomorrow, Monday, before the proper authorities.

GUATEMALA

PRESIDENT CONDEMNS FOREIGN INTERVENTION IN COUNTRY

PA142257 Guatemala City Domestic Service in Spanish 1500 GMT 14 Sep 81

[Text] The Guatemalan Government condemns foreign intervention by means of support for subversion and other clandestine activities in our country. The president told newsmen that just as this government is opposed to foreign intervention, others support subversion against constitutionally instituted governments that have been fully and legally established.

The president did not mention the names of the countries whose intervention causes problems in Guatemala, but he outlined the situation, which is well-known at home and abroad, involving foreign support for subversion in our country.

REPORTAGE ON MILITARY, GUERRILLA ACTIONS, CLASHES

Army Dismantles 2 Redoubts

PA141727 Panama City ACAN in Spanish 1334 GMT 13 Sep 81

[Text] Guatemala City, 13 Sep (ACAN-EFE)--According to a military spokesman, the Guatemalan Armed Forces discovered and dismantled two guerrilla redoubts during the last few hours.

On Paturrus Hill in El Quiche Department, Guatemalan paratroopers discovered a house that was being used by the guerrillas. In the ensuing attack, five revolutionaries and one soldier were killed.

The rest of the guerrillas escaped from the redoubt, where arms, ammunition, documents, recorded and written propaganda, backpacks and other equipment generally used by the guerrillas were found.

El Quiche is the most tense department in Guatemala. For the past 20 years, the guerrillas and the Guatemalan Army have clashed there continously. On the border with Mexico, it has 8,000 square km of mostly mountainous terrain and 300,000 residents, whose primary occupation is farming.

Additionally, soldiers found another guerrilla redoubt in the capital, but the revolutionaries escaped hours before the soldiers arrived.

At this redoubt, materials for manufacturing Claymore mines and grenades, as well as machinery and molds for the manufacture of explosives, were found.

'Death Throes' of Guerrillas

PA141935 Paris AFP in Spanish 1611 GMT 14 Sep 81

[Excerpts] Guatemala City, 14 Sep (AFP)--Five guerrillas and one soldier were killed in an armed clash over the past weekend in Guatemala, which experienced a resurgence of subversive activities, official sources reported today.

The rebels staged several attacks, causing heavy property losses in at least 30 government offices, it was reported.

On Saturday night and Sunday morning the rebels staged several attacks in the northern and northwestern part of the country where they detonated powerful bombs in government and army buildings.

According to reports reaching the capital and confirmed this morning by official sources, the most serious incidents were in the city of Coban, Alta Verapaz Department, where the subversives detonated a charge of dynamite on the military post, demolishing the one-story installation which was solidly constructed. Although no casualties were reported, several buildings close to the military post were damaged, including banks and some private homes.

In Salama, Baja Verapaz Department, also in the northern part of the country, the buildings which house the Bank of Guatemala, the post office, the governor's office, the municipal office, the revenue office, and telephone office were seriously damaged by terrorist attacks yesterday.

In El Palmar, Quezaltenango Department, in the western part of the country, a group of guerrillas occupied the township yesterday morning and firebombed government installations, damaging 13 of them. No armed confrontation occurred.

Meanwhile, in this city, the leftwing 31 January People's Front (FP-31) detonated several bombs containing antigovernment propaganda and barricaded some roads of the Guatemalan capital.

Official sources dismissed the importance of these attacks although the losses are estimated at more than $1 million. The sources indicated that "the guerrillas are desperately trying to demonstrate their strength after the blows struck against them in the past 2 months."

The Guatemalan president, Gen Romeo Lucas Garcia, declared that "the guerrillas are in their death throes. They only want to demonstrate that they are still strong." The president recalled that "the guerrillas have lost more than 30 redoubts in which they stored arms, foodstuffs and war materiel in general."

HONDURAS

PRESIDENT PAZ GARCIA RETURNS FROM TRIP TO MEXICO

PA150138 Panama City ACAN in Spanish 2359 GMT 14 Sep 81

[Text] Tegucigalpa, 14 Sep (ACAN-EFE)--Honduran President Gen Policarpo Paz Garcia returned from Mexico this afternoon after a 28-hour official visit. Paz Garcia had been invited by Mexican President Jose Lopez Portillo, with whom he held two private rounds of talks.

The two presidents signed a joint declaration which was distributed this afternoon by the Mexican Foreign Ministry.

All the members of Paz Garcia's economic cabinet accompanied him, because it was planned that trade, technological and financial agreements would be reached with Mexico.

NICARAGUA

JUNTA, OTHER OFFICIALS RESPOND ON 'FACE THE PEOPLE'

PA130329 Managua Domestic Service in Spanish 0130 GMT 12 Sep 81

["Face the People" feature broadcast from the Central American Business Administration Institute in Managua with Daniel Ortega Saavedra, coordinator of the junta of the Government of National Reconstruction; Sergio Ramirez Mercado, member of the junta; Rogelio Ramirez, minister of municipal affairs; (Claudia Veliz), deputy minister of municipal affairs; Dionisio Marenco, minister of domestic trade; Joaquin Cuadra, minister of finance; (Samuel Santos), minister of the Managua Municipal Board; Emilio Rappaccioli, minister director of the Nicaraguan Energy Institute, INE; Rodolfo Garcia, official in charge of the INE Commercial Office; (Vidiberto Nunez), delegate of the Construction Ministry; Miguel Ernesto Vigil, minister of housing; Manuel Coronel, deputy minister of agricultural development and agrarian reform; Emilio Baltodano, comptroller general of the republic; and Gilberto Guzman, deputy minister of industry, answering questions from the coordinators of the country's municipal boards and members of the FSLN [Sandinist National Liberation Front] departmental leadership committee as part of a program initiating a 30 day seminar in cooperation with the University of California at Berkeley--live or recorded]

[Excerpts] [Question] I would like to ask the following questions. The first is addressed primarily to the Agrarian Reform Institute, INRA. It is: How much authority does it have to donate 60 manzanas of land that have already been requested by the municipal board of Tisma and the Education Ministry to no avail? The Education Ministry is fully prepared to build an institute for production in view of the importance of such an institute to the area, since our community is completely agricultural.

The second question consists of a suggestion to the Construction Ministry, if possible, that all the access roads to our town be repaired ince all the roads are of great importance, serving as they do for the transportation of all kinds of products. I would also like to ask if it would be possible to include in the 1982 plans the paving of 13 km of road that link us to the Tipitapa-Masaya highway.

The next question is addressed to the companeros of the Nicaraguan Aqueducts and Sewers institute, INAA. Several sections of our municipality do not have facilities for drinking water and the people are consuming unsanitary water. It is unhealthy. There are some artesian wells in the area and the community is prepared to cooperate by providing the manpower to have running water installed.

[Ortega] I think that it is worthwhile to speak a little bit about the state of economic and social emergency that was declared recently, because to the extent that we realize the need for it, the need to apply it, to that extent will we find a way to communicate with the residents of each community, so that instead of trying to cover all the concerns and the demands of the people at once, as we have been doing...[does not complete sentence] We have been trying to solve all problems at once. We have tried to solve rapidly all the problems that we have inherited and this simply is not possible. We either leave things done halfway or else we have to say no. If we say yes to be in the people's good graces, we would be lying and we would not be confronting the problem like revolutionaries.

Therefore, a basic problem here has to be closely linked to the production because that is the fundamental, immediate issue for guaranteeing our people's food supply and bringing about the economic upsurge of this country in the future. It is true that there are other types of demands that are justifiable, but these are somewhat divorced from Nicaragua's economic reality. That is the problem. There is the economic reality, and based on this we have to find solutions and make proposals. We cannot think at this time of continuing to build institutes or schools, even if a community has the necessary resources to collect sufficient funds for putting up the building. Even if the land were available, we could not continue to do this at this time. We have been doing this, but we cannot continue because the problem is not resolved with the land and the building.

This is followed by problems of maintenance of teachers, and at this time the budget cannot withstand this. The demand is so great, the need is so great, that demands of this type are made everywhere. Citizens everywhere mention the problem of schools to us. They very often bring up the matter of paving streets or of providing better maintenance for the streets. Here again is the matter of establishing priorities. We must seek how best to invest resources for the maintenance of roads that are linked to production.

We cannot say yes to all requests, nor can we use our scarce resources to attempt to solve all problems. The efforts that we make in the international area to obtain funds, aid or donations must be directed toward those areas that we consider to be primary, not to just anything that crops us. A donation is not an end in itself. It is true that a donation is good, but it involves expenditures, because very few grants are total. If we were to receive grants in which we were told: We are going to give you the building; we are going to pay for the maintenance; we are going to give you the money for personnel and expenses, that would be different. However, such donations are rare. A basic portion may be given, but the country has to carry the weight of the rest and we cannot bear this.

[Ortega] We could attempt to solve 1,000 problems at once, but the result would be 1,000 unresolved problems. We would start and be unable to finish. Therefore, in order to start and finish the effort, we have to concentrate on a few problems.

Regarding the matter of the participation of the people in administrative decisions and the matter of links with the local governments and so forth, we have been going through experimental phases. We have been acquiring experience in local government, government of the people, and we have been moving, in a short time, to improved levels of organization. Of course, this is a problem that is still unresolved. There are problems of coordination, things that do not function properly in the central government. There is the matter of properly delimiting authority in the municipal boards. Then there is the matter of the economic programs that have also been implemented with some lack of coordination, reflecting a number of weaknesses that we may have been unable to correct in such a short time. Nevertheless, they must be corrected. The fact that we have been unable to correct them in such a short time does not justify some errors that have been committed--errors that I think I could call avoidable.

There are errors that we could consider to be inevitable. In acquiring experience in one area or another one commits errors that are practically inevitable. However, if these errors are committed once, they must not be repeated. There are other errors that were avoidable and were actually committed because of negligence, deficiencies or lack of discipline on the part of the men who are heading the activities involved. Therefore, in the central government, there has been a search for greater centralization, greater coordination in order that the economic plans might involve the active participation of the people, of the local community, in proposing plans to be implemented in the community, within a particular framework. We have a framework, which is the state of emergency, which tells us that we cannot ask for everything for the community. Instead, we will try to adjust to the narrow framework of the state of economic emergency with the participation of the community, the people, the workers, the various sectors that are an active part of the community, in order to receive proposals that will be presented to the central government for consideration in deciding on the projects that will be carried out.

Of course, this is a test, an exercise that will permit and guarantee the implementation of the plans that the revolution proposes because it will fully involve the various sectors of our people in the implementation of those plans. At this time, the implementation of plans is a little...[does not complete sentence] Discussion today is minimal. Participation today is minimal, because the parties involved are aware, in general, of the plans to be implemented, but there is not strong participation by the people. The mechanisms are not functioning as yet.

Moreover, there is a certain bureaucratic tendency and a tendency within the central bureau to fail to comprehend the significance of participation by the people.

This tendency could also occur within the municipal boards themselves. It is, therefore, a risk that is being run. To the extent that we have resolved this situation, we will be able to handle ourselves better as regards allowing the people to participate, having the people prevail and knowing exactly why the plan is being applied. If they are able to propose action plans for their respective areas, we will be finding the formula that will make it possible to advance the revolution more rapidly and we will be making the people's government functional.

[Question] My name is (Carlos Arguello) and I am a member of the reconstruction board of Matagalpa. I wish to refer to two specific topics: First, something that was mentioned by Commander Ortega, that is, that after 2 years of revolution, experience has taught us something about what municipal boards should be like. Our request is not in the economic sphere and, therefore, I believe that it is feasible for us to receive an answer in the short term. Our specific request is that we municipal boards receive more authority, more support, more aggressiveness, precisely as regards development of plans for our respective municipalities or departments. I believe that the municipal boards should be coordinating bodies that supervise the political, economic and social development of their respective municipalities. However, to do this, and here is the crux of the matter, more authority, a clearer definition of the municipal boards and more moral support are needed in order to proceed to decentralize and to channel local problems so as to give ourselves a chance and opportunity to develop as administrative cadres of the Sandinist revolution.

The lack of respect shown to the municipal boards by just anyone in the department is truly deplorable. In certain cases, because we lack a legal pillar on which to lean to make decisions, we are often made to look ridiculous.

We believe that a redefinition of the municipal junta law, or an amendment to this law, should clearly establish whether or not we have authority and define our duties, rights and concerns in controlling mayoral offices, which is what we have often been told our function is.

We need to be respected and recognized as authorities by other state organizations. Then we can play the role for which the municipal juntas were created. Otherwise, give us, once and for all, a definition of the role the junta is supposed to play, so that we will no longer have any illusion that we are the top authority in the departments.

Our present position limits our ability to demand compliance with plans from other state organizations. We want to be able to evaluate plans, but we simply don't know what the plans of INE, INAA and the National Telecommunications and Postal Directorate, TELCOR, are.

If we were to have knowledge of--let's not say to demand knowledge of--the development programs at the department level, it would be easy for us to answer the people's questions, since all questions are first brought to the municipal junta.

This has to be coordinated by someone in the department. The implementation of programs, the power to implement the programs the commander mentioned, must be exercised by someone. Therefore, either new institutions are created or the junta is given the role it should have. Otherwise, we should be told if our role is to be limited to repairing streets and opening and closing squares, so that we may have a clear understanding of our position.

We would like you to consider this request. We are all Sandinists. We often find limitations in our development because there is no clear stand on what a municipal reconstruction junta's authority is.

[Ramirez] Companero Arguello, from Matagalpa, has touched on an important point. I think this seminar can be very useful for central government institutions by allowing us to listen to suggestions from the members of the municipal juntas on how to organize the local government, as Commander Daniel Ortega has already said.

We agree that there should be more specific guidelines issued by the central government on the functioning of the municipal juntas. What we have right now is a very general law creating the juntas. While we agree that the local juntas should function as coordination institutions, involved with the tasks of the central government in each municipality, we must find a way to share functions, since we cannot have municipal juntas assuming the functions of the central government as a result of decentralization, even if these functions must occur at the local or regional level--after all, work depends not only on national policy but on the availability of resources.

That is, it would be useless for a municipal junta to have a say in what the local offices of INAA, or INE or the Housing Ministry should do if the central government does not have the resources to carry out a given program or if that program has not been previously outlined.

We want to tell you that as for the 1982 plan, on which the Planning Ministry is already working, we have given the municipal juntas a primary role in the mechanisms for its preparation, including the production area. As we see it, it will be the municipal juntas who will gather and evaluate information for the production plan.

The municipal juntas will also be involved in the way in which the plan is implemented. Thus, as we develop a national development plan on a yearly, 2-year or 3-year basis, specifying fewer details of implementation each time, we will have fewer problems in expectations each year. This plan should tell us what can be done in each region, area and municipality. This will also lead us to stress the ever increasing importance of intermunicipal coordination, as there are matters that can only be dealt with on this basis.

We think that in Nicaragua we already have examples of how such intermunicipal coordination has functioned efficiently in some departments, and these examples can serve in seminars such as this, as models or pilots of how intermunicipal coordination should function. We have some municipalities in Nicaragua that are very poor and others with more resources. This affects the availability of resources to carry out a given plan.

To summarize, we want to say that the central government is interested in strengthening the role of the municipal juntas. We agree with that. We want the municipal juntas' administrative authority in the municipalities to be strengthened, and we want the intermunicipal coordination boards to have greater authority in matters of concern to them. What has to be defined now, based on development plans and on a municipal law--which is something that has to be worked on in the near future--is the municipalities' specific role in their relations with central government agencies that function in all departments and municipalities, so that this coordination role can be perfectly established.

[Question] Good evening, companeros from the government junta, the cabinet and the other municipalities. We are going to skip the questions we had, to make room for four suggestions or proposals that don't require an immediate response. They are in line with the idea of decentralization and regionalization.

1. The municipal juntas should be able to purchase from government storehouses, as the other state institutions do. 2. The ministries, at the central government level, should give department authorities decisionmaking capability, so that they can make decisions in the municipalities, because dependence on Managua and on the ministries at the central government level impedes state efforts in the municipalities. 3. MINDA [no expansion given] should install materiel warehouses at the department level, to bring construction costs down and to provide opportunities for the construction of additional homes. There should also be a revision of technical resources at the central level and a relocation of technicians not required in the ministries to the various departments.

We are saying this because we have seen an excess of companeros in some ministries, while we, the municipal juntas, are often without technical training and have to prepare our own projects, which often look like loan applications rather than technical projects.

To conclude, [here is] a proposal that is, perhaps, the essence of the matter. It deals with the junta of reconstruction of Managua. We will first list the problems and then our suggestions. One problem: Taxes on bakeries and taxes that reduce municipal solvency have placed great pressure on our municipalities, requiring their elimination. This would favor bakers and those who travel abroad.

[Ortega] The companero from Diriamba mentioned the maladjustment, we might say, involving the junta of reconstruction of Managua. I don't know if this seminar is the best place to discuss this. In this "Face the People" program, we have not been able to discuss an important situation, which gravely affects the functioning of the municipal juntas. Though some important matters have come up here for discussion, we have also discussed secondary problems that dilute the program.

We think one important problem is that there is no policy for local reconstruction juntas as a whole. We have not drafted a policy on that yet. Answers to problems are improvised, on the basis of how the problem is perceived in each municipality. There is no point of reference for working on projects in each municipality. There has been no such point of reference. We have been responding to problems, generally, by improvising. There is no general policy that will allow us to say what the priorities are and what the juntas should do.

We are of the opinion that the ministry the companero refers to exists [words indistinct] municipal juntas. But what happens? The junta of reconstruction of Managua is not included in that organization.

We think that the junta of reconstruction of Managua should also respond to the general policy [words indistinct] the administrative effort in all departments of the republic. If the junta of reconstruction of Managua is included, then we would be in a position to rationalize our resources.

But the problem does not involve Managua alone. We would have to take a look at other departments that could have situations similar to that of Managua, in relation to the majority of the country's other departments.

There could be two or three privileged departments, which concentrate resources, while many other departments have no resources in practical terms. We must start, of course, from a production basis. A department with scarce sources of production cannot expect to receive great resources right now, because if we are going to rationalize resources, we would try to direct these resources to the more productive departments.

As these productive departments produce more, then it will be possible to make more resources available to the less productive departments. We are not going to fall into an altruistic attitude and say, well, let's have a common fund with all resources from all of the country's juntas and let's distribute it equally. We can't do that.

Our policy must respond, first, to each department's capacity to produce, to generate wealth, so that we can invest and thus generate more wealth. It would be absurd if a department, merely because it generates many resources, reinvests these resources in nonessential works and services, in addition to production areas that generate further resources, in the belief that just because that department generates many resources it should enjoy all kind of services. This can't be.

We have to be rational about Managua because [words indistinct] the truth, but we have to regulate investments in Managua correctly. We are trying to fight the tendency of the people to move to Managua. They expect to find an answer here to their economic problems, employment problems and so forth. As Managua begins to present a certain face, this face is an important element in attracting more people.

We think that the fundamental problem here is one of policy making. We have not been able to establish a policy in line with the country's true situation. We are working, with somewhat old methods: that is based on resources. We are saying: Well, there you have these resources. There is no planned use of resources. This is a fact and for this reason it is necessary to establish a policy in this regard and this policy should be based on productivity. This is elemental. This is not the time to build big monuments or to create nonessential services, nonbasic services.

For ornamental works, we have to appeal to the people to build these after they finish work, and this has been done in many cases. Investments must be made on a production-capability basis. This is a basic principle on which policies can be developed, without forsaking those departments that have very limited possibilities. We are not going to forsake them.

We cannot, however, embark on an equalitarian policy of creating a common fund and distributing it equally. This is an opportunity. Participating with the junta of reconstruction of Managua, here is Companero (Samuel Santos), whom we asked to be present. When this subject is discussed in this seminar, this companero should report on the problems of Managua to make you aware of them, but he should also become aware of the problems being faced by other departments.

All this should contribute to your being able to make proposals that will allow us to draft a general policy on this.

MINISTER ON FSLN ATTITUDE TOWARD INDIAN GROUPS

PA141741 Managua BARRICADA in Spanish 4 Sep 81 p 4

[Text] Managua, Sep (ANN)--Although the Sandinist National Liberation Front, [FSLN] has said that at this moment the MISURASATA [Miskito, Sumu, Rama, Sandinist unity] does not exist for practical purposes, it also established in its declaration of principles the right of indigenous communities to organize in total freedom.

Guerrilla Commander William Ramirez, Atlantic Coast minister, explained to ANN the FSLN's attitude regarding the split within the MISURSATA Indian organization. He also explained the new treatment which the vanguard offers the ethnic groups who live in the Atlantic region of Nicaragua.

Delving into the topic, the minister for the Atlantic Coast noted that regarding the situation that has emerged in MISURASATA, the FSLN considers that:

"First, after what happened with Fagoth and his followers, the organization was virtually left without leaders and, what is more, divorced from the legitimate interests of the indigenous communities.

"Second, that on publicly announcing their separation from MISURASATA, the Sumu communities also are rejecting what this organization signified up until now.

"Third, that the previously announced facts further strengthen what was said in the sense that for the time being there is no organization in the country that can guarantee or ensure the representation of all the indigenous organizations of the Atlantic Coast."

On the new relationship which the FSLN has created with the ethnic groups of the coast, Commander Ramirez explained: "Currently we are maintaining direct contact with the indigenous communities, in general with the Miskitos and Sumus. We are also keeping in touch with the Rama companeros, not to mention our "Creole" brothers, whom we believe should not be within this sphere, because they have had a cultural and political development which differs from that of the other communities." "In rejecting the MISURASATA, we are not rejecting the indigenous groups' right to organize," Commander Ramirez emphasized. "On the contrary, each indigenous group has the right to organize as they see fit. Proof of this is evident: the Sumu companeros now have their own organization: the National Association of Sumu Communities. We think that the Miskito companeros can organize if they want. Nobody is going to deprive them of that right."

How has this new communication been established, we asked.

"It is being carried out simultaneously with the leadership groups that have been formed. For example, we have met with all the Sumu leaders through their new organization. We have spoken directly with the Miskito communities without the need of intermediaries, because in reality there are no leaders, there are no intermediaries.

"We have also talked to the Sumu communities of Wasaki. At the same time that we spoke to leaders, we spoke to the communities. This is the best way to coordinate our respective views.

"Although we are currently endeavoring to establish frank and dynamic communications with the rank and file, we also recognize that the Indians must have their representation, their organization, that is, if the communities want to have them," Commander Ramirez said in conclusion.

DELEGATION TO IPU MEETING IN CUBA APPOINTED

PA102239 Managua Radio Sandino in Spanish 1800 GMT 9 Sep 81

[Text] The Parliament Members of the World will meet in Cuba on 15 September. A delegation of the Nicaraguan State Council will attend this meeting.

President Fidel Castro will speak at the opening of the 68th meeting of the IPU which will last until 23 September. The sessions will be held at the Conventions Palace in Havana where the delegates of the sixth Nonaligned Movement meeting met in 1979.

Nicaragua will be represented by Commander of the Revolution Carlos Nunez, State Council president, who heads the delegation; Luis Sanchez Sancho, State Council vice president; Deputy Commander Rafael Solis, Marta Cranshaw, Father Alvaro Arguello, Denis Corrales, Federico Lopez, Onofre Guevara and Maria Lourdes Vargas, each of them members of the various working committees of the State Council.

COMMANDER CARRION STRESSES CDS ROLE OF DEFENSE

PA121830 Managua Sistema Sandinista Television Network in Spanish 0200 GMT 11 Sep 81

[Speech by Commander of the Revolution Luis Carrion, representing the FSLN [Sandinist National Liberation Front] at the 10 September ceremony at the Dorado Theater in Managua commemorating the third anniversary of the Sandinist Defense Committees--recorded]

[Text] The Sandinist Defense Committees [CDS] were born and strengthened in the revolutionary struggle, to incorporate the people within the insurrection. Under current circumstances, and in keeping with their raison d'etre, with the objectives that led to the birth and development of the Civil Defense Committees, the CDS have as their principal and fundamental task the defense of the revolution, to the victory of which they offered their blood and sacrifices.

But to carry out this defense firmly, energetically and in an organized manner, we must be fully conscious of the political, economic, and international situation of our revolution and of the specific tasks we must tackle to guarantee its defense. At this moment, world peace is seriously threatened by the warlike and adventurous policy of U.S. imperialism. Faced with this clearly aggressive stance against our revolution, we must reiterate our legitimate and unshirkable duty to defend ourselves. It is not only our duty, but our obligation to do so, a moral obligation to our peoples, who shed the blood of thousands of their sons to achieve revolutionary power and to deeply transform the social and economic structures of this country. That is why we have armed ourselves.

RUIZ URGES 'REVOLUTIONARY VIGILANCE' BY WORKERS

PA140341 Managua International Service in Spanish 0030 GMT 14 Sep 81

[Text] Henry Ruiz, commander of the revolution and planning minister, said today that an effort is being made in this country to defend the power that has been earned in order to carry out a plan to favor the workers and peasants, a goat that has been set by the revolutionary government.

Commander Ruiz made this statement to delegates of the mass organizations and the nation's teachers during a discussion of the recently decreed law on economic and social emergency.

Under no circumstances can we allow the power won through the sacrifice of thousands upon thousands of heroes and martyrs to be mishandled by the enemies of the people who today are trying to impose conditions on the march of the revolutionary process, the leader said.

Commenting on the people's obligations, Commander Ruiz said that the laborers, peasants and all workers in general should report the abuses that infiltrated reactionaries commit at work centers.

We have consolidated the defense of the revolution with the people's militias, but we have not consolidated production, which will only be achieved by means of revolutionary vigilance exercised by the workers, the planning minister said.

15 SEPTEMBER LEGION WARNS AGAINST COMMUNISM

PA141415 San Jose Radio Reloj in Spanish 1330 GMT 13 Sep 81

[Text] Communism is taking over Nicaragua, the 15 September Legion has stated. On this historic day for Central America, when the 160th anniversary of the Central American Nations is being celebrated, the 15 September Legion wants to tell the democratic world about the political, economic and military intervention of the forces of international communism against Nicaragua, the organization states in a communique.

Communism wants to destroy the ideals of liberty of our people through a totalitarian regime that has been built over the bodies of 40,000 Nicaraguans who fell during the struggle against Somozism, the communique adds.

Nicaragua is a base for aggression against the isthmus. The commanders who used the revolutionary victory to usurp power are stepping on the heroes who gave their lives in glorious battles against pirates, U.S. intervention and the dictatorship. They are shamelessly burying the nationalistic example of (Manuel Mongalo), Andres Castro and Augusto Cesar Sandino by completely surrendering to Soviet imperialism. They have turned Nicaragua into a base for aggression against Central America, the 15 September Legion communique states.

It adds: Our people are aware of the betrayal. Communism is trying to subdue our people, but the harder they try, the stronger our people's Christian faith and nationalistic spirit become. The insurrection is coming, the communique states.

GOVERNMENT ADMITS HAVING SERIOUS LABOR PROBLEMS

PA132209 Paris AFP in Spanish 1557 GMT 13 Sep 81

[Text] Managua, 13 Sep (AFP)--The Nicaraguan Government has admitted that a lack of labor discipline, abetted by the worker-oriented nature of the revolution, has cost the nation $100 million in losses these last 2 years.

Commanders Luis Carrion and Henry Ruiz explained that these losses helped to create conditions which forced the government to declare a state of economic emergency throughout the country.

The emergency decree signed on 9 September temporarily suspends the right to strike.

Commander Ruiz, the planning minister, said that now workers have to work at 100 percent of their capacity in order to keep their jobs.

Since the triumph of the revolution, the situation in hundreds of work sites has become difficult due to the labor union's incitement of workers to take over enterprises, demanding their nationalization.

The revolutionary government has also had problems making a profit in the industrial plants it nationalized or confiscated from the Somozists and the like, due to the constant demand for higher salaries created by spiraling inflation.

Commander Ruiz said that statistics show that there has been at least one strike a day since the revolutionary victory.

Ruiz warned against unrealistic demands for higher salaries and other benefits at work sites.

During the first 6 months of 1981, only three enterprises which the nation has nationalized showed a profit, among them the nation's largest brewery and the insurance industry.

This week the government will start payroll cuts to reduce $48 million from the budget for the rest of the year.

FOREIGN CURRENCY SHORTAGE HURTING PRODUCTION

PA141535 Managua EL NUEVO DIARIO in Spanish 31 Aug 81 p 11

[Text] A responsible Industry Ministry source conceded yesterday that the present foreign currency shortage is affecting some production sectors in the country. Ricardo Cruz, from the Industrial Programming Department of the Industry Ministry, made this statement.

Our source said that only the companies considered strategic for national production, both private and from the People's Property Area, are being supplied with foreign currency, due to the shortage.

He said that the system, which is practically equivalent to rationing foreign currency, will remain in force until foreign currency, which is vital for national production, is obtained in larger quantities.

In this respect, he said that there are offers of foreign currency credit lines from friendly countries such as Maxico, Venezuela, Brazil, the Netherlands and others which have not been completely taken advantage of by the revolutionary government due to different factors.

That is, the official in question implied that there are prospects in the near or not-too-distant future to partially and temporarily solve the problems caused by the shortage of currency which the country is experiencing.

On the other hand, the official said that $130-$140 million has been supplied to the industrial sector for the manufacture of food, textiles and clothing, chemical and pharmaceutical products, metals and other products during the first 6 months of 1981.

He said that approximately 700 large, medium and small industrial firms operate in Nicaragua, employing almost 37,000 workers.

Industry represents 24 percent of the national gross product this year, he added. Therefore, we believe, and as everyone knows, due to the serious economic problems facing the revolution, that the country's industrial sector will continue to experience a foreign currency shortage for certain areas of national production.

WHEELOCK NOTES POSITIVE STEP IN AGRARIAN REFORM

PA121936 Managua International Service in Spanish 0030 GMT 12 Sep 81

[Text] The agrarian reform is being implemented in an organized manner in Nicaragua, according to the law on the subject approved by the State Council, the executive body of the revolutionary government.

To begin implementing the law throughout Nicaraguan territory, the Agricultural Development and Agrarian Reform Ministry is forming regional councils so that the peasants can receive their land in an organized manner.

Commander of the Revolution Jaime Wheelock Roman, minister of agricultural development and agrarian reform, today inaugurated one of these regional councils in the Department of Leon, 90 km west of the capital.

[Begin Wheelock recording] Today we learned about the overall idea of agrarian reform, which will mark a histroic step in transforming the countryside, with the peasants receiving land under superior forms of organization, cooperative organization and executive organization. Agrarian reform also recognizes the historical needs of the peasants.

We have had a very productive and very important session today. We received an excellent report from Commander Mauricio Valenzuela, the regional director, and we are thus taking another step toward the development of agrarian reform. [end recording]

OBANDO Y BRAVO ON ACCEPTABLE TYPES OF SOCIALISM

PA110453 Managua Radio Corporacion in Spanish 2300 GMT 10 Sep 81

[Text] Msgr Miguel Obando y Bravo, president of the Nicaraguan Episocpal Conference, has told a Mexican newspaper that the Nicaraguan Catholic Church would be supportive of socialism if it were translated into a more humane, more fraternal system in which there would be more participation by the people in making decisions.

If socialism involves keeping the people from being in charge of their own destiny, we would not support. If one understands socialism to mean preventing parents from educating their children according to their own convictions, we would not support it either, the prelate told an EXCELSIOR correspondent. However, if one understands socialism to mean that there would be a more humane, more fraternal system in which there is more participation, we would agree with it, said Monsignor Obando y Bravo, who considers the Sandinist government to be Marxist-oriented.

The prelate said in closing that the Nicaraguan Church does not want totalitarianism of either the left or the right and is opposed to the deification of the Sandinist revolution, because when man elevates something he has created to the level of an idol, when he deifies a sect, riches or the state, he loses his freedom.

CEBS REAFFIRM NONPOLITICAL, CATHOLIC IDENTITY

PA140333 Managua EL NUEVO DIARIO in Spanish 9 Sep 81 pp 1, 9

[Statement "To the Public" issued by the base ecclesiastical coummunities of Ciudad Sandino, Zones 5 and 6; Centroamerica, Riguero, Nicarao, Ducuali, San Pablo Apostol, Verbo Divino, San Rafael, Monsenor Lezcano, San Agustin and Larreynaga parishes in Managua; undated]

[Excerpts] We have been asked to publicly state what the base ecclesiastical communities [comunidades eclesiales de base--CEB] in Nicaragua consist of in response to the charges that are being made against us.

We do not wish to create controversy or unnecessary or damaging conflicts for our church or our people. We see in the charges made publicly against the CEB two aspects: One is an intraecclesiastical aspect that we wish to discuss within the church in a family dialogue with our archbishop. The other is the public confusion and the bad name that has been created for us in some sectors. We are addressing those sectors and the public to proclaim our Catholic identity.

We know that this revolution and this process are limited and have made errors. That is normal. We know that one does not "identify" with the kingdom of God. For this reason, if we support them and participate in them within the mass organizations, we do so motivated by our Catholic faith and moreover, we do so "critically." We see this process as a channel and a means of historical mediation in which we embody the mission of the church on behalf of the poor, to open the way for the enhancement of the kingdom of God, which transcends this and every other historical process and this and every other specific political project.

On the new frontiers of this Nicaraguan process, we see that the Gospel can be an "announcement" to Christians and non-Christians of "values" that would humanize the revolution to a maximum extent, reinforcing the primary role of the poor with their dignity as children of the God who revived the crucified one and made him the "guide" that will take us all to complete liberation along with the poor.

The Charges

According to the charges that some make and propagate against us, we of the CEB are not Catholic, but Christian-political groups. We are allegedly affiliated with the Sandinist National Liberation Front [FSLN], from which we reportedly receive instructions. We are Marxist-Leninists who "identify" the kingdom of God with the Sandinist revolution. We propagate class hatred. We are dividing the church. We do not recognize either the bishops or the pope. We are another church. We are even charged with being international communist cells.

These charges are concentrated in the term "people's church." We believe, like His Holiness John Paul II, that this term can be very badly interpreted and we only recognize as valid the meaning that John Paul II himself gave in Puebla to the formula by which Brazil has designated the CEB. He said that they are "the church that is born of the response of faith that we give to Christ" (inaugural speech). Our CEBs are not the barbarous things that some call the "people's church," ascribing to it terrible sentiments such as being opposed to the hierarchical and institutional church. We are the CEBs that the one and only Catholic Church recognizes as the "new face" or "hope of the church" (Paul VI) or the "expression of the church's preferential love for the simple people" (Puebla).

We thank the country's communications media for having disseminated our statement publicly. We urge them not to confuse the public or the people by distorting the church's truths, but to always cooperate positively in order to have the church and the Nicaraguan people walk in unity within the process. As far as the CEBs are concerned, we ask that they respect and emphasize our Catholic identity.

MEXICAN PRIEST, NUNS LEAVE DUE TO DIFFERENCES

PA121819 Managua BARRICADA in Spanish 8 Sep 81 pp 1, 5

[Excerpts] Father Canuto Barreto, rector of the National Seminary, one priest and three Mexican nuns have resigned their posts in that institution and will leave the country in the next few hours "due to differences with some bishops of the episcopal conference."

With the resignation of the priests and nuns, the National Seminary is virtually closed and the 21 seminarians will be sent to study abroad, we have learned.

Father Barreto, who along with the rest of his fellow citizens arrived in the country a little over 1 year ago through agreements between the Mexican and Nicaraguan Episcopal Conferences, asserted that the proper and necessary climate for the seminary does not exist in Nicaragua and that there are problems in the church on religious and political matters that affect the seminarians.

He noted that the situation deteriorated to the point where it is impossible to work, due to the campaign of discredit and exaggerations against those who work in the seminary.

"The tensions of the church are reflected among the young seminarians and bishops and a climate of distrust has been created by some bishops toward us and the seminary, despite the fact that we have tried to maintain a balanced stand."

He added that the seminary should serve to study these changes, to face them and not to reject them, in an effort to shape the young students within their own environment and in the world's historic conditions of change.

"In view of the unfavorable situation created against the officials of the seminary, a priest and a Mexican professor canceled their visits to Nicaragua and we had to resign our posts," he said.

He also noted that the failure of the seminary is due largely to the diversity of opinions within the episcopal conference. He said that he did not want to delve into these things, because they are strictly within the internal character of the Nicaraguan Church.

PARTS SHORTAGES AFFECTING FISHING INDUSTRY

PA132234 Managua Radio Sandino in Spanish 1200 GMT 12 Sep 81

[Text] The minister for the Atlantic Coast, Guerrilla Commander William Ramirez, revealed today that there is a spare-parts scarcity affecting the seafood processing plants, some of which may have to close within the next 2 months. He is now in Managua meeting with Companero Commander Henry Ruiz, the planning minister, to whom he explained the critical economic situation of the Nicaraguan Fishing Institute. Another meeting will be held on Monday to decide on measures to keep the plants operating. Commander Ramirez said that in view of the situation, the workers were told to remain firm, united and confident, striving to jointly solve this critical situation created by mistakes on the part of all those involved in fishing activities.

PETROLEUM UNION SEEKS TEXACO MANAGER'S EXPULSION

PA050429 Managua Radio Sandino in Spanish 1200 GMT 4 Sep 81

[Text] Members of the Union of Petroleum and Chemical Workers [Sindicato de Petroquimicos] are collecting signatures on a petition for the expulsion of (William Wallace McDonald), general manager of the Texaco Caribbean Company. The workers will ask the junta of the Government of National Reconstruction to declare (McDonald) persona non grata and to expel him from Nicaragua immediately.

Yesterday the union staged a march, which was supported by member of other unions, to the Labor Ministry. They were received by (Rene Cruz), the general labor inspector, to whom they delivered a document giving a detailed explanation of (McDonald's) violations and disavowals of the nation's laws. The general manager of the Texaco Company, in open violation of our revolution's labor laws and labor union freedoms, refuses to rehire (Fermin Ballesteros), the union's secretary general, even though the Ministry of Labor has repeatedly ordered him to do so.

BRIEFS

ATLANTIC COAST DEVELOPMENT--An assembly was held on 3 September between Sandinist defense committee coordinators of the Atlantic coast districts and Guerrilla Commanders Lumberto Campbell, William Ramirez and Manuel Calderon, for discussion of community needs such as street paving, latrines, schools, community houses, street lighting, etc. Atlantic Coast Minister William Ramirez promised 400,000 cordobas for distribution among the districts according to their needs. [Bluefields Radio Zinica in Spanish 1800 GMT 4 Sep 81 PA]

CARICOM FINANCE MINISTERS ISSUE COMMUNIQUE

FL042111 Bridgetown CANA in English 2059 GMT 4 Sep 81

[Text] Kingston, Jamaica, 4 Sep (CANA)--Caribbean Community (CARICOM) foreign ministers are reviewing recommendations made by finance ministers regarding the Caribbean basin aid plan proposed by the Reagan administration, a CARICOM statement said today. The finance ministers met here on Wednesday and Thursday and the brief communique issued today gave no indication of what decisions they took.

The foreign ministers began a 2-day conference today to study the foreign police implications of the U.S. initiative, including some specific recommendations relating to trade, tourism, investment and official development assistance. The conclusions, it added, were being reviewed by the foreign ministers.

The statement added that the ministers decided that senior officials should meet prior to the annual meeting of the Caribbean group for cooperation in economic development to consider a coordinated approach as well as to prepare the outline of a joint CARICOM statement to the group. It had been felt by the CARICOM members that their hurried caucus just before the annual conference did not allow for proper preparation and left them at a disadvantage against the donor countries.

The statement said that the ministers had decided on action to be taken at the national and regional levels on issues to be raised in joint statements at the annual meetings of the World Bank and the International Monetary Fund. It did not say what these issues were.

The statement made no mention on preparation of a CARICOM position for this month's commonwealth finance ministers conference, which was an agenda item and also on the proposal for an African, Caribbean and Pacific (ACP) trade and investment bank.

DOMINICA

PRIME MINISTER CHARLES WELCOMES RIGHTS PROBE

FL102135 Bridgetown CANA in English 2050 GMT 10 Sep 81

[Text] Roseau, Dominica, 10 Sep (CANA)--Dominica's Prime Minister Eugenia Charles said today that she was prepared to allow the London-based Amnesty International or any other independent human rights organization investigate alleged human rights violations in this country.

Miss Charles was at the time reacting to a statement being circulated here by the "inity of Rastafari idren" [as received] a hitherto unknown group which alleges that human rights were being violated by the government in exactly the same manner as during the administration of ex-Prime Minister Patrick John. The group claimed several innocent people had to bear the most bitter persecution from murder to frame-up to beating and jailing.

It called on the government to withdraw its antiterrorism legislation which parliament passed a few days after a group of Rastafarians, alleging police harrasment and brutality, kidnapped and subsequently killed the father of [the] government press secretary, Ted Honychurch, 59.

Miss Charles in a statement to newsmen today said the majority of Dominicans "not only support the anti-terrorist act, but would rightly accuse the government of gross irresponsibility and insensitivity to the rights, interest and security of Dominican citizens if we were to repeal the act."

The Dominican leader said that she would welcome Amnesty International, the UN Human Rights Committee "or any other independent and responsible human rights organization to visit Dominica and determine the rights for themselves. Not only would we place no impediment in their way, but we would give them the fullest cooperation."

GRENADA

GOVERNMENT CLAIMS JURISTS' SUPPORT AGAINST U.S.

FL102106 Bridgetown CANA in English 1635 GMT 10 Sep 81

[Text] St Georges, Grenada, 10 Sep (CANA)--Grenada said today the American Association of Jurists [AAJ] has supported it in the face of alleged mounting hostility to the island's leftist government by the United States. An official statement said the support came in a resolution passed by the AAJ last week at a 2-day conference in Managua, Nicaragua.

Grenada was represented at the meeting by Attorney-General and Legal Affairs Minister Kenrick Radix and Langistan Sibbles, director of public prosecutions. The statement said that an AAJ resolution denounced and condemned alleged acts of terrorism and destabilization against Grenada's People's Revolutionary Government [PRG] by the United States.

According to the statement, the resolution said: "The AAJ condemned all acts of terrorism and destabilization against the government and people of free Grenada in their struggle to build a new and democratic society without outside interference."

"The Association of American Jurists also condemned all acts of interference in Grenada's internal affairs by the U.S. Government, particularly its declared intention to intervene militarily," the statement said.

The left-leaning Grenada Government said that last month's military exercises conducted by the United States in Vieques Island off Puerto Rico were a trial run for an invasion of the Caribbean island by U.S. troops.

The statement said that the resolution noted that "under the leadership of the PRG and the New Jewel Movement, Grenadians have embarked on the building of a truly democratic society where the people's cultural, civil, political and economic rights were being advanced."

"U.S. imperialism has declared and demonstrated its intention to halt and reverse this process. U.S. imperialism is using attempts to assassinate the leadership of the PRG by terrorism, economic and propaganda destabilization and other efforts to turn back the Grenada revolution", it added. "All these efforts have failed because of the popularity of the PRG and the Grenada revolution", the statement quoted the resolution as saying.

BISHOP INAUGURATES AGROINDUSTRIES PLANT

FL141943 Bridgetown CANA in English 1741 GMT 14 Sep 81

[Excerpts] St Georges, Grenada, 14 Sep (CANA)--The Grenada Government has officially opened an agro-industries plant with Cabinet Minister Kenrick Radix suggesting that it could provide the economy with billions of dollars in revenues. The plant, which produces fruit nectars, mango chutney, nutmeg jam and jelly and sauces, began operations in December and was officially opened yesterday by Prime Minister Maurice Bishop during a rally.

Mr Bishop described Grenada as a poor, over-exploited country, and said there were serious implications for Grenadians as the island had an open, dependent economy which was tied to the capitalist world. "That has serious implications for the price we can get for the products we sell." He said, "That has serious implications for how much we have to spend every year to buy goods from the same capitalist countries." Mr Bishop said the opening of the agro-industries plant was another stage along the road towards the economic transformation of Grenada and the "disengagement of our economy from imperialism and the clutches of imperialism."

JAMAICA

SEAGA ANNOUNCES $25-MILLION VENEZUELAN AID PACKAGE

FL141739 Bridgetown CANA in English 2040 GMT 12 Sep 81

[By Paget Defreitas]

[Text] Kingston, Jamaica, 12 Sep (CANA)--Jamaica's Prime Minister Edward Seaga returned today from an official visit to Caracas and announced that Jamaica would get 25 million dollars (U.S.) from Venezuela to help in its economic recovery program. Mr Seaga's written statement did not spell out what would be the conditions and when the money would be available. But official sources confirmed that the money would be to support the country's adverse balance of payments position.

"Venezuela's enthusiastic support of Prime Minister Seaga's economic recovery program has resulted in an agreement to make available 25 million dollars (U.S.) from the Venezuela investment fund for the support of the Jamaican economy," the brief statement said. It added that Venezuela was giving active consideration to a Jamaican proposal that its fuel oil be supplied to this country under the terms of its specialized oil facility which covers the sale of crude to Caribbean basin countries.

The facility, jointly operated by Venezuela and Mexico, allows the Caribbean countries to get up to 30 percent of the cost of their oil imports converted to low interest 5-year loans wiht the possibility of the loans being stretched over a longer period according to how the savings are invested.

The Venezuelan vice minister for mines and energy will visit Jamaica next week to discuss the details with the petroleum corporation of Jamaica, the statement said. The statement added that following the Caracas talks the Venezuela aluminum smelter [will] take its contracted 100,000 tons of alumina from Jamaica this year. Earlier, the company, Venalum, had said that it could not take up to 20 percent of this year's contracted purchase because of its own production problems and the softness of the international aluminum market.

But the statement indicated that there would not be a reduction in the purchase of 210,000 tons of alumina next year. The statement said Mr Seaga also had official discussions on a Jamaican bid to supply bauxite to a new Venezuela refinery which will begin operations late next year, but gave no indication of the progress of these talks.

GLEANER CRITICIZES PARLIAMENT'S 'LACK OF VITALITY'

FL091830 Bridgetown CANA in English 1809 GMT 9 Sep 81

[Text] Kingston, Jamaica, 9 Sep (CANA)--The GLEANER newspaper said today that the Jamaican Parliament was yet to show the vitality promised when the Jamaica Labor Party (JLP) took office 10 months ago, though the recent twice-weekly session was a move in the right direction.

Since its resumption after the summer recess, the house has scheduled meetings 2 days a week for the sectoral debate when ministers and back benchers who were not in the thick of the budget debate get the opportunity to make presentations.

Said the GLEANER: "At the start of the new JLP administration there was talk of new ways to revitalize parliamentary activity, but there is little to show yet of this new vitality." The paper noted that house leader J.A.G. Smith had promised that Hansard reports (of house debates) were being brought up-to-date as part of the exercise.

But it remarked "...Hansard, however accurate and however quickly printed, will be an empty gesture unless parliament returns to activity after the Rip van Winkle sleep of the last few years. Meeting twice a week instead of the desultory once-a-week happenings is a step in the right direction."

CUBAN TRADE DELEGATION ARRIVES FOR ECONOMIC TALKS

FL111259 Belize City Domestic Service in English 0100 GMT 1 Sep 81

[Text] A seven-member Cuban delegation has arrived in Jamaica for talks (?aimed at improving) economic relations between the two countries. The Cuban delegation is led by Vice Minister for International Trade Manuel Estefania. The Cubans will meet with officials from the Jamaican Ministries of Agriculture and Industry and Commerce. This will be the first high-level meeting between Cuba and Jamaica since Jamaica's Prime Minister Edward Seaga took office last October.

Further on Delegation's Visit

FL141515 Bridgetown CANA in English 2052 GMT 12 Sep 81

[Text] Kingston, Jamaica, 12 Sep (CANA)--Cuba has offered Jamaica technical assistance to eliminate smut and rust disease from its sugar industry, the government's Agency for Public Information (API) here has said.

API said that the offer was made yesterday by Cuba's Vice Minister for Foreign Trade Manuel Estefania Seoane during talks with Parliamentary Secretary for Agriculture Astil Sangster. Mr Estefania is head of a seven-member Cuban trade mission on a visit here aimed at stimulating trading relations between the two countries.

He said that an expert from the Jamaica sugar industry was being invited to Cuba to observe the advances it had made in eliminating smut and rust from its canefields. Disease, coupled with a shortage of fertilizer and other inputs as well as poor management is hampering the Jamaican industry and production this year was just over 200,000 tons. Cuba has just completed a 3-year eradication program and during the period sugar production reached a record 8.7 million tons, the minister said.

ST LUCIA

ST LUCIA, VENEZUELA SIGN ACCORD, ISSUE STATEMENT

Financial Agreement Signed

FL092302 Bridgetown CANA in English 2209 GMT 9 Sep 81

[By Guy Ellis]

[Text] Castries, St Lucia, 9 Sep (CANA)--Venezuela is to make 1.5 million dollars U.S. available to St Lucia for low-income housing and other development projects. Agreements under which the funds would be made available were signed here today by Venezuelan Foreign Minister Dr Jose Alberto Zambrano Velasco and his St Lucian counterpart, Peter Josie.

The signing came at the end of a 2-day official visit by a Venezuelan delegation headed by Zambrano, during which efforts to accelerate a 1980 program of cooperation between the two countries were discussed.

Under one of the agreements, Venezuela will deposit 500,000 dollars U.S. in St Lucia's National Commercial Bank, which could be turned into a long-term loan and used for development projects identified by the government here. It would be repayable over 40 years at 2 percent interest.

The second agreement involves a loan of 1.5 million dollars (U.S.) for low income housing, to be repaid over a similar period at the same rate of interest.

Josie told newsmen that these were two of the priority programs submitted by St Lucia for Venezuelan financing during the current financial year.

He added that definite proposals had been made to the oil-rich South American republic for financing of other projects, including tourism, sewerage and road-building, but it had been agreed that St Lucia would apply for such funds during the next financial year.

Zambrano revealed that he had also held talks with local private sector officials which had resulted in the setting up of a Venezuela-St Lucia mixed commission which would meet in November.

Zambrano said his country was prepared to intensify its cooperation program with St Lucia by increasing the activities so far undertaken such as the development of human resources, assistance in health, cultural exchanges, technical education training and the provision of a line of credit for the acquisition of Venezuelan goods and services.

Joint Declaration Issued

FL100006 Bridgetown CANA in English 2338 GMT 9 Sep 81

[Text] Castries, St Lucia, 9 Sep (CANA)--Venezuela and St Lucia today reaffirmed their support for the Organization of American States (OAS), agreeing that it should be strengthened for the benefit of the people of its member countries.

The declaration came in a joint communique issued here following a 2-day visit by Venezuelan Foreign Minister Dr Jose Alberto Zambrano Velasco.

In the communique the two countries expressed the hope that the next OAS General Assembly, scheduled to be held here next December, would take "effective measures to preserve and maintain unity of the inter-American states."

They also expressed their desire for the continued growth of the Caribbean integration movement and welcomed the recent formation of the Organization of East Caribbean States among the lesser developed countries.

According to the communique, Zambrano and his St Lucian counterpart, Peter Josie, ratified their unshakeable commitment to democracy for the people of their two countries and reaffirmed their conviction that only through such a system could there be guarantees of "the full exercise of freedom and achievement of the complete development of man."

The two foreign ministers looked at the situation in Central America and agreed that the political, social and economic crisis in that region demanded "firm solutions that will create appropriate conditions for a stable, prosperous and just society."

They expressed support for the Government of El Salvador and the efforts being made there "to obtain peace and social justice within a pluralistic democratic system."

They also agreed that only the people of El Salvador were entitled to work out a peaceful and democratic solution to the conflict free of any foreign intervention, the communique said.

CENAC COMMENTS ON VENEZUELAN INVESTMENTS

FL091400 Bridgetown CANA in English 1008 GMT 9 Sep 81

[Text] Castries, St Lucia, 9 Sep (CANA)--Prime Minister Winston Cenac has said that St Lucia will welcome Venezuelan investment here at any time and will maintain economic and trade links with that country, but would not allow the South American republic to spread its political influence on the island.

The assurance was given by Mr Cenac to a delegation from the local guild of university graduates who called on him to discuss Venezuela's alleged "expansionist attitude" in the Caribbean and Venezuela's involvement in St Lucia's economy.

According to a guild release, Mr Cenac told the delegation that Venezuela had recently struck riches and seemed anxious to spread them in St Lucia, which was in need of financial assistance at this time. Cenac was quoted as saying that up to now, however, the relationship between the two countries was at the private sector level, through the St Lucia National Development Corporation and the Workers Bank of Venezuela.

He emphasized that there was no government-to-government assistance, even though the Caracas administration first had to give approval to Venezuelan investors before they could invest in another country.

The prime minister was said to have assured the guild that it was not possible for Venezuela, regardless of the extent to which it invested here, to take political control of the island and that if that became possible St Lucia would fight to maintain its political integrity.

Mr Cenac was said to have expressed pleasure that organizations like the guild were keeping "a watchful eye on Venezuela's movement's on the island because it was that vigilance that would ensure that Venezuela did not have any political influence here.

Foreign Minister Peter Josif, who met the guild delegation last week, gave the assurance that Venezuela's economic interests here would not change St Lucia's position on the Guyana-Venezuela border dispute. Mr Josie said St Lucia would maintain the CARICOM (Caribbean Community) position in favor of Guyana which, through CARICOM, was closer to the other Caribbean territories.

Venezuela has a claim to five-eighths of Guyana--a claim rejected by the Guyana Government.

Mr Josie said that while the government here had to ensure that Venezuela did not wield any political authority in the island, it would be unfair to scrutinize every move the Venezuelans made here. This, he said, would not be good diplomacy.

ST VINCENT

PROGRESSIVE DEMOCRATIC PARTY ESTABLISHED

FL090046 Bridgetown CANA in English 2229 GMT 8 Sep 81

[Text] Kingstown, St Vincent, 8 Sep (CANA)--A seventh political party, the Progressive Democratic Party (PDP), has been formed in St Vincent, a party statement said today.

The statement said the PDP included former Health Minister Randolph Russel, who is an opposition parliamentarian, opposition Senator George Thomas and Dr Gideon Cordice, a former acting medical officer. Accountant Calvert Samuel is the PDP's general secretary, the party said.

A party leader was not named but sources close to the PDP said Mr Russell was likely to be nominated for the post. The former health minister resigned in May, saying he was dissatisfied with the progress being made by the government.

The St Vincent Labor Party (SVLP) has 11 of the 13 seats in parliament.

COLOMBIA

BRIEFS

NEW ISRAELI AMBASSADOR--Hayyim Aharon, New Israeli ambassador to Colombia, presented his credentials today to acting President Jorge Mario Eastman in a ceremony at Narino Palace in Bogota. The diplomat brought a personal message from the Israeli president and noted that his country appreciates Colombia's role in helping achieve peace in the Middle East. [Bogota Domestic Service in Spanish 1730 GMT 2 Sep 81 PA]

COFFEE TO SOCIALIST BLOC--More than 15,000 tons of Colombian coffee will be shipped to socialist countries as partial payment for 600 buses which the Bogota District Bus Company will receive. Mayor Hernando Duran said that the National Coffee Fund will negotiate the sale. The socialist countries involved in the negotiations are the USSR, Romania and Czechoslovakia. [Bogota Domestic Service in Spanish 1730 GMT 4 Sep 81 PA]

ECUADOR

GOVERNMENT INTERIOR MINISTER FERAUD BLUM RESIGNS

PA150108 Paris AFP in Spanish 0033 GMT 15 Sep 81

[Text] Quito, 14 Sep (AFP)--It was officially announced here that Government Interior Minister Carlos Feraud Blum has submitted his resignation to President Oswaldo Hurtado, who has accepted it.

Feraud Blum was undergoing a political hearing for alleged irregularities in the purchase of toys for the police last Christmas.

PURCHASE OF PLANES NOT PART OF TALKS WITH SHAMIR

PA150245 Quito Voz de los Andes in Spanish 1730 GMT 14 Sep 81

[Text] In a brief meeting upon the arrival of his Israeli counterpart, Ecuadorean Foreign Minister Alfonso Zamora Valverde said that Ecuador's eventual purchase of Israeli Kfir fighter planes is not one of the subjects to be discussed in the talks that Israeli Foreign Minister Yitzhaq Shamir will hold here.

For his part, Shamir only said that the details of the talks that he will hold with Ecuadorean authorities will be disclosed at the end of his 2-day official visit.

VENEZUELA

MINISTER ANNOUNCES RESIDUAL OIL PRICE INCREASE

PA150152 Caracas Radio Continente Network in Spanish 2100 GMT 14 Sep 81

[Text] Venezuela has increased the prices of its residual oils from $0.15 and $0.50 per barrel. The price increase is applicable to residual oils containing from 1 to 2 percent of sulphur, Humberto Calderon Berti, energy and mines minister reported. He also said that the price on these fuels will keep going up until the end of the year, when it might start going down.